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10/25/67 Press premiere and reception of "Outdoors USA," 1967 Yearbook of Agriculture, at the National Wildlife Federation building, Washington, D.C. The Natural Resources Council of America joined with the Secretary in introducing the Yearbook. USDA 3391-67

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11/13/67 A National Food Budget -- Can We Make It Work? 45th Annual National Agricultural Outlook Conference, Washington, D.C. USDA 3575-67

11/17/67 Mid-American Conference on Evangelism of the Lutheran Church in America, Omaha, Nebraska. USDA 3655-67

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11/18/67 In union there is strength -- "Labor Can Do It, Why Can't You?"
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11/28/67 Annual Area/Industry Conference of the Industrial Development
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11/29/67 46th national 4-H Club Congress, Conrad Hilton Hotel, Chicago,
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12/5/67 Annual meeting of the Tennessee River Valley Association,
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12/6/67 1967 Rockefeller Public Service Awards ceremonies in the
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AGRICULTURE / 2000

You may have noticed by the title that my talk today will go beyond the boundaries of this conference's prime concern -- the decade immediately ahead. It will. But in doing so I hope to expand the dimension in a manner that enhances the importance of the next ten years -- rather than diminishes it.

Man's fascination with Tomorrow is as old as man himself.

From the dawn of his imagination, he has tried to peer behind the "curtain's magic fold" to where Bret Harte said "the glowing future lies unrolled."

He has speculated about the future for profit, for amusement, out of simple curiosity ... and sometimes for reasons bigger than himself.

And sometimes, he has, indeed, looked into Tomorrow.

Tennyson said he "dipped into the future, far as human eye could see" and "saw the Vision of the world, and all the wonder that would be."

Tennyson was a romantic. A more pragmatic poet turned his inner eye upon Tomorrow and declared that the future has never been ... that it remains for man to make it.

Address by Secretary of Agriculture Orville L. Freeman at the Southwest Agricultural Forum, Tulsa Civic Assembly Center, Tulsa, Oklahoma, at 12 Noon, Friday, January 20, 1967.

The towers of Tomorrow, he said, are built upon the foundations of Today.

We're gathered here in Tulsa to try to turn back a corner of the "curtain's magic fold" ... to peer into the future of American agriculture ... to determine whether the glowing prospects many foresee will, indeed, materialize ... to decide whether we have built the foundations for the towers of Tomorrow ... and to anticipate, if we can, the problems we may be called upon to solve.

In just 33 years we'll turn the corner into the 21st Century. What will it be like, American agriculture in the Year 2000?

No one really knows, of course. There are too many intangibles ... too many uncertainties. But predictions are being made, and perhaps we should examine them.

As I stand here -- about to tell this group what may or may not happen in their own chosen field -- I'm reminded of the story of the Army sergeant who had made an excellent reputation lecturing to enlisted men on a certain subject. His captain called him in, complimented him, and said he had been chosen to lecture to a special group.

The sergeant walked into the lecture room and gazed out over the biggest collection of brass hats he had ever seen gathered in one place. Every man in the room outranked him.

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Embarrassed, he tried to think of a modest beginning. "There are thousands of men in the Army who know more about this subject than I do," he began. Then, realizing he was destroying his reputation as an expert, he blurted out, "But I don't see any of them in this room!"

Well, I make no pretense of being an expert prognosticator. All I can do is tell you what some experts foresee for agriculture in the year 2000.

So, let's jump to the turn of the new century and take a look at what they predict we'll find.

Some envisage the Year 2000 as the time when the American farmer finally is freed from the arduous and time-consuming demands of planting and harvesting ... a time when he, too, enjoys leisure for the pursuit of recreation, entertainment, advanced learning, and he and the world he inhabits can provide true parity of education and opportunity for his children.

Some see him sitting in an air-conditioned farm office ... scanning a print-out from a computer center ... typing out an inquiry on a keyboard which relays the question to the computer.

The computer center, which he may own in partnership with other farmers, perhaps through his cooperative, helps him to decide how many acres to plant to what crop, what kind of seeds to sow, what kind and how much fertilizer to apply, exactly what his soil condition is, and what day to harvest what crop.

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The experts say the fields on this hypothetical farm will bear a surface similarity to the fields of today ... but a surface similarity only. They see a land carefully graded and contoured to control erosion and the use of precious water. They see a soil bearing nutrients to meet the specific needs of each crop, and treated to control harmful organisms, weeds and plant diseases.

They foresee virus-free plants, bred by geneticists to give higher yields in a much-shorter growing period and to mature at the same time. The stalks on these plants, they say, will lend themselves to mechanical harvesting, and new uses will be made of the parts of the plant once discarded at harvest.

The experts envision all the field work on this farm carried out by automated machinery, directed by tape-controlled programs, and supervised by television scanners mounted on towers.

They predict that weather will no longer be the incalculable threat it remains in our time, for satellites will provide long-range forecasting -- providing time to prepare for, divert or dissipate damaging storms.

They say robot harvesters will complete the farming operation with high-speed picking, grading, packaging and freezing ... and will then transport the produce to transportation depots for distribution to retail warehouses.

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While many find this picture of the future exciting, others find it depressing. Some contend that automation and the computer will excise the soul from farming ... will destroy its joy, dull its satisfactions, and chill the ageless intimacy between man and his land.

But others say No. They say the farmer of the 21st Century will be more deeply, intricately, and learnedly involved with the land than ever before. They point out that no computer can give a learned answer until it is asked a learned question ... that no robot tractor can operate until a skilled human being programs it to operate.

And they contend that the joy and satisfaction of farming will come -- as it always has -- from the successful interplay between the farmer and his soil.

By the year 2000, optimistic visionaries say, this interplay will have become so successful that yields of today will be doubled or tripled ... that corn yields, for instance, could run from 300 to 500 bushels to the acre.

Ah yes, the critics counter, but what good automation, what good maximum efficiency, what good bigness, what good record yields ... if the producer cannot own the land he works? How much joy, how much satisfaction, how much ageless intimacy with the soil can a farmer reap from land that is not his?

For how, they ask, could one farmer ever hope to own a farm that big, that automated ... that incredibly expensive?

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If there is one troublesome nettle in agriculture's garden of tomorrow, this is it. Financing the farm of the future through the methods of today would be impossible, for the farms of the Year 2000 will require investments of millions -- not thousands -- of dollars.

The inexorable nature of the technological revolution dictates that the farms of the future will be bigger, will be better, and will be far more costly to own and to operate.

The issue then is this: If nothing is done now to insure the creation of a dynamic, new, creatively flexible system of financing farms and farming, the farms of tomorrow will not be owned by the farmers who work them. If this is what we want ... we do nothing.

If this is what we do not want ... if we agree that farming is, indeed, a way of life, and not just a means to make a living ... if we agree that it is important that the family farm system continues to make a key contribution to the strength and health of this nation ... then we will adjust our credit systems for tomorrow.

This we have done before. This we can do again.

And now, let me turn my attention to the consumer of tomorrow. What will Agriculture / 2000 mean to the housewives of America?

It will mean better foods, more nutritious foods, better tasting foods, a bigger variety of foods ... and still at a reasonable cost, thanks to an efficiency of operation which continues to hold unit production costs to a minimum.

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By the Year 2000, the consumer should be able to buy her whole milk according to whatever butterfat content she desires. She'll choose meat cuts with hardly any fat. She'll receive more protein per portion of cereal. And all of these changes will come about through the miracle of genetics ... by breeding cows and meat animals and cereal grains to meet specific dietary and taste requirements.

And how will she shop?

Most likely, she'll go to a pushbutton supermarket. There she'll drop a coded card into a slot beside the commodity she selects and punch a button. Impulses travel two ways -- to a cash register where her bill is totaled, and to a central warehouse where the order is assembled. The completed order will await the customer at her car.

I said this was a speculative sketch. In a few moments I'll point out some of the pitfalls which lie before this optimistic concept of tomorrow's agriculture. But in the meantime, bear in mind that this sketch scarcely touches the surface of the wonders of the future.

As I think of the other fantastic advances predicted for the years ahead -- advances I haven't mentioned -- I'm reminded of the story about the two soldiers from an inland State who one day found themselves on a transport ship going overseas.

Standing on the deck, one of them gazed out over the vast expanse of ocean and said, "That's the most water I've ever seen in all my life. I never thought there was that much water in the world."

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To which the other soldier replied, "Heck, you ain't seen nothin' yet. That's just the top of it!"

And that's the way it is in agriculture. We "ain't" seen nothin' yet.

But the question is ... are we ready for it? Have we laid those foundations of Today to build those towers of Tomorrow? If we haven't, there'll be no towers of Tomorrow, for as Marcus Aurelius observed many centuries ago, "That which comes ever after conforms to that which has gone before."

So now let's take a quick look at "what has gone before."

In the brief history of our young nation, we've seen the prestige, the influence, and the prosperity of agriculture wax and wane time and time again. Farmers built this nation. They pushed back its frontiers. They won its independence. And they created its government.

In Colonial Days, 90 percent of the working Americans were engaged in agriculture, 90 percent lived on the land, and an overwhelming percentage of the national income came from farm production.

Then came the cyclical changes in the farmer's fortune. When demand outstripped farm production, the farmer gained in income and importance. When production outstripped demand, his income and his influence declined.

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In the past quarter century, the cycle has come full circle once again. Throughout World War II and the Korean conflict, farmers produced to intense demand. Their importance was acknowledged and their efforts were rewarded. But the technological advances which had enabled the farmer to meet wartime production demands were to do him in when the Korean conflict ended.

By the middle of the 1950's, the genius of the American farmer had produced the supreme irony. He had become an object of derision and the target of epithets. He was accused of feeding at the public trough, of contributing to high taxes, federal deficits, strained family budgets, and inflation. For a time flogging the farmer threatened to eclipse baseball as the nation's favorite pastime.

By 1960, overproduction had robbed the farmer not only of prestige but had cost him dearly in earnings. By the close of that year, we had a stockpile of 1.4 billion bushels of wheat and 85 million tons of feed grains, and net farm income had plummeted \$2.4 billion in just eight short years. In the meantime costs were rising steadily and the cost-price squeeze tightened.

The outlook was so grim that some observers held out little hope. They foresaw political abandonment of the farmer, punitive farm legislation, continued price and income depressing surpluses, little social and economic legislative concern for his unique conditions, further loss of prestige, a decline in farm living standards and farm production and a resulting loss of natural resources as a product of human neglect.

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None of these things happened.

Instead, in six event-filled years, American agriculture turned the corner from gloom to promise.

We began to look on agriculture not as an isolated problem segment of the American economy but in terms of its contribution to the whole economy. We began to view abundance not as a liability but as an opportunity. We focused attention on agriculture as a success story.

Politicians did not abandon the farmer. Despite the fact that his representation in the Halls of Congress has diminished in the face of population shifts and redistricting, recognition by urban Congressmen of the farmer's new importance was such that five major pieces of farm legislation were passed in the first six years of this decade. Many in this banquet hall helped to pass this legislation.

Each of these was designed to meet specific needs and solve specific problems. The record since their passage is evidence of their effectiveness.

The surpluses of the Fifties are gone -- replaced by sensible reserves. By the end of November, the Commodity Credit Corporation investment in farm commodities was down to \$4.55 billion, a reduction of \$1.9 billion from the previous year, and about \$4 billion less than the peak investment years of 1956 and 1959.

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Government is reverting to the role of referee in the marketplace -- an insurer of equity instead of a participant -- and, except for a brief period during the Forties, the market is freer today than it has been for 30 years.

In place of the "little concern" predicted in 1960 for rural America, social and economic measures have been enacted since that time which concentrate on the countryside's special problems and special needs. I speak now of the struggle to build a viable, balanced economy in rural America, of which farming per se is an integral part.

Rural development programs, better community facilities, new homes, improved schools, medical services, expanded electric and telephone service, water and sewer installations, and a resulting variety of new off-farm jobs are helping to bring to an ever-increasing number of rural nonfarm and small farm Americans parity of opportunity.

Let me digress here for a moment. Gradually this nation has come to realize that one of our greatest assets in an increasingly crowded world is space. We are coming to understand that we can make another place in the countryside for those who, for one reason or another, cannot find a rewarding place in commercial agriculture. We don't have to dump these people into our already-crowded, problem-beset cities.

More than that ... perhaps we can help relieve the strain on our cities. There are many frustrated urban dwellers who are eager to return to a new countryside -- a countryside with opportunity.

(more)

Space, fresh air, sun, sky, and water can be "packaged and sold" ... sold to the industries that can bring jobs to rural America ... sold to city people who seek outdoor recreation -- a chance to get back to Nature -- and are willing to pay for it.

So ... as we look ahead to the Year 2000, we can see a new kind of America -- an America where the giant arms of industry extend into the countryside, there to profit by adequate space, adequate power, water and communications, adequate and eager manpower; an America where more and more Americans can live happier, healthier lives where they want to live -- in Countryside, U.S.A.

And now let me turn once again to those gloomy predictions made back in 1960, the predictions that luckily went awry.

Farm living standards were supposed to decline. They did not. They improved because farm income increased ... and farm income increased because surpluses diminished, the number of consumers grew, the amount of consumer income climbed, farm exports skyrocketed, and Government price support and incentive payment programs moved ahead with the times.

From the 1960 level of \$11.7 billion, net farm income jumped to more than \$16.1 billion in 1966 ... the second highest mark in history ... and gross farm income at \$49.2 billion and net income per farm at \$4,900 set all-time records.

(more)

Of even greater significance was the accelerated graduation into "adequate size" class by family farms in recent years. One measure of "adequate size" is gross sales of \$10,000 a year or more. Since 1959, nearly 200,000 farm families have moved into that class. Studies indicate that at that level they are gaining on city workers and approaching parity of income.

But let me make it emphatically clear at this point that, despite steady progress the last six years, the farmer's income still lags far behind that of other Americans.

On a per capita basis, the farmer's income is \$1,700. Other Americans earn \$2,610 on an average per capita basis.

Farm prices, though up last year, have been down the last few months, and today are less than they averaged between 1947 and 1949. At the same time, food costs are 35 percent higher.

This the farmer bitterly resents -- and properly so.

This discrepancy must be corrected. It must be corrected because it is unfair to the farmer and therefore wrong. It must be corrected because if farmers don't get a fair return commensurate with the other segments of society, we will lose our best farmers. If that happens the entire nation, not just the farmer, will be hurt.

And now let's look at the final gloomy prediction made in 1960 -- that farm mechanization and production efficiency would stage a ruinous retreat in the face of continued economic decline and political rebuff.

(more)

Once again the prediction was wrong.

From 1960 to 1965, investment in farm machinery increased by more than \$5 billion.

In the past ten years, farm production per man-hour has doubled. Today, a third fewer people on farms, harvesting one-ninth fewer acres, produce one-fifth more than a decade ago. The average farm worker now supplies food and fiber for 37 persons, 22 more than he could less than a generation ago. In comparison, a farm worker in Russia feeds only seven, and a farm worker in France only fourteen.

In four and a half decades, U.S. productivity per acre has increased 82 percent and output per breeding animal has almost doubled. One hour's farm labor now produces five times more than it did in 1921.

The productive capacity of the American farm has provided this nation's consumers with the best diet in the world ... at the lowest cost in terms of percentage of take-home pay -- the only realistic measure.

Moreover, the exploding technological revolution in American agriculture has been of vital importance to the poorer nations of the world, for the resulting abundance has often meant the difference between life and death for millions of people overseas. Last year, our country shipped a fifth of its total wheat production to India, alone, and exported two-fifths more to other nations. Yet American consumers suffered no shortage of bread.

(more)

I hope this remarkable record of accomplishment in the Sixties is convincing enough proof that American agriculture has, indeed, built its foundations of Today for the towers of Tomorrow.

In this year of 1967, we are embarked on a New Era in Agriculture ... and we've set sail in a sound ship.

But there are reefs and shoals ahead.

Earlier, I said that historically the fortunes of agriculture in America have been tied to the production-demand ratio. When demand moved ahead of production, farmers prospered for prices were strong. When production moved ahead of demand, the reverse was true.

In recent years, government has used a number of management tools and programs to slow agricultural output expansion, move toward fair income for producers, and make better use of our abundance.

First, the rate of output expansion has been held down by a system of largely voluntary government programs, which strengthened the market and also helped farmer income by means of commodity price supports and direct payments.

Second, our Government joined with private groups to develop new and expanded commercial markets -- bringing successive new records in dollar exports in seven of the past eight years.

(more)

Third, we have carried on one of history's great humanitarian efforts under Food for Peace -- a continuous stream of life-saving food and fiber that since 1955 has averaged about \$1.5 billion a year. In addition, in the last six fiscal years we have distributed commodities valued at \$2,439,000,000 to needy families, schools, and institutions in the United States. In the same period, our cash donations to the school lunch and special milk programs totaled \$1,253,000,000, and Food Stamps given to needy American families were valued at \$158,000,000.

Fourth, commodities produced beyond the limits of what the commercial market could absorb at support price levels -- and beyond Food for Peace needs -- moved into government-held stocks.

In the past six years, these stocks have declined. In fact, the combination of efforts I have just listed -- bolstered by new legislation and the support of the farm and business communities -- has brought an end to the mountainous surpluses of the Fifties. Prices have been strengthened, and farm income has been sharply boosted.

I only wish I could tell you that all our problems are solved -- that the balance in agriculture we are enjoying for the first time in half a century will continue -- and that future farm production will keep steady pace with demand.

I can't do that. We must all accept the fact -- here and now -- that the technological revolution in agriculture is really just beginning ... and that the production potential it promises for tomorrow staggers today's imagination.

(more)

Bear in mind that in 1966 -- with relative supply-demand balance in the marketplace -- your government in effect "bought" about 60 million acres out of production. Even with large increases in plantings to meet world demand and build reserves of wheat and feed grains to safer levels, our programs will continue to help farmers hold 30 to 35 million acres out of production in 1967.

If all that acreage, plus the steadily accelerating production per acre, were turned loose ... the result would be chaos.

If we ignore the lessons of history, and let supply outrace demand again, we could plunge ourselves right back into the predicament of 1960, a predicament it has taken us six years to overcome.

We can only avoid this predicament by the disciplined use of judgment, reason and vision, for we know that adjusting farm output expansion to effective demand in the years immediately ahead will be infinitely more difficult than it has ever been before.

Yet adjust it we must.

This we can do in the New Era of American Agriculture. For by trial and error, and in the traditional pragmatic American way, we have developed the necessary tools. With cooperation among producers, the trade, agribusiness and government -- we can hold a workable balance between supply and demand, maintain economic strength in agriculture, and encourage continued scientific and technological breakthroughs ... and do it with accelerating efficiency.

(more)

For many years now, I have been talking about a National Food Budget. This implies a careful advance determination of what demand will be -- how much must be provided for commercial use at home and abroad, and how much must be produced for needy, hungry people at home and overseas.

With the inducements of voluntary programs, our farmers can then set the stage to produce it. Thus they will produce for use ... real use ... and not for storage.

Farmers will be able to move acreage in and out of production as it is needed ... and the market will return fair parity income to the family farm of adequate size.

Admittedly, we can't be precise about this. Weather variations, for example, can make an enormous difference in production. With 70 million acres growing feed grains, a 10-bushel-per-acre variation means 700,000,000 bushels difference in available feed grains. Nevertheless, we can make allowance for such variations, and the free market and the farmers' holding power can carry most of our reserve.

The next few years are both crucial ... and promising. I say crucial because it is so important that the farmer and his government use the new farm programs wisely and efficiently. If they do -- and get good results -- then Congress undoubtedly will improve and extend these programs in 1969. I say promising, because the population and income explosions taking place around the world almost certainly will continue to stimulate a strong demand for food.

(more)

Prices, then, should be good ... and income should grow for both the farmer and for the agribusiness which serves him and the consumer.

In such fashion -- and with the balance that comes from mature judgment based on experience -- we can look forward to a future of abundance for America ... and prosperity for the farmer and for those who fashion and move his produce to the tables of the world.

I conclude, then, on a note of positive optimism.

I envision the income of farm operators as commensurate with their contribution to American society -- income fully comparable with that earned by other business owners, executives, and managers.

I envision a vast flow of the products of American farms to Africa and Latin America, as well as to Europe and Asia -- sales for dollars through regular commercial channels.

I envision the continued contribution of American food aid, technical and capital assistance to the developing nations of the world until that time when they are able to sustain themselves.

I envision an American countryside rich in beauty -- with the doors wide open to economic opportunity -- a countryside which once again will exemplify the good life.

Agriculture's journey to the Year 2000 can be a useful ... and a pleasant one. I think it will.

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MAR 23 1967

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January 23, 1967

Secretary of Agriculture Orville L. Freeman said today that the proportion of disposable income spent for food by American consumers dropped between one-fourth and one-third in the past 20 years. During the same period the proportion of disposable consumer income received by farmers for the food they produced and sold was cut in half. Both trends seem to be continuing.

Consumers spend only 18.1 percent of disposable income for food today, as against 25.7 percent in 1947. But farmers today receive only 5-1/2 percent of disposable consumer income for their food products, compared with 11 percent in 1947.

With farm prices weakening, costs rising, and agriculture in general still a long way from parity of income, the Department of Agriculture will make full use of "a wide range of measures" to strengthen farm prices and maintain income in 1967, Mr. Freeman said.

"I am concerned," the Secretary said, "by the fact that farm prices have declined since last August, and that farmers are again increasingly caught in the old squeeze between the prices they receive and the high costs of farming. This renewed cost-price squeeze is a threat to the improved income situation farmers have worked so hard and long to achieve -- a threat that cannot be permitted to go unchallenged."

The statement was issued at a meeting -- at the Department of Agriculture in Washington -- of farm leaders, trade organization people, and other agricultural representatives to review the farm outlook.

The Secretary said that farm prices are now 2 to 3 percent below the 1966 average, and "there are strong indications that prices in 1967 will average little if any above current levels. At the same time costs of the things the farmer must buy continue to edge upward.

"The farmer still faces a tough struggle to reach parity of income. It is important that all the American people understand this fact. Without such understanding and support of both public and private efforts to strengthen farm prices, the improvement of income of recent years won't be continued. And if farmers can't earn a fair income, the best producers will leave farming for city jobs. Should that happen, the strength of our entire economy will be gravely imperiled. Fair prices for the farmer are in the interest of every American, businessman, worker, farmer, and consumer alike."

The Secretary pointed out that "there appears to be little or no chance that consumers will benefit from lower farm prices. Other costs are such that food prices will continue to edge upward -- although more moderately than last year. Marketing margins are expected to widen during the year."

Secretary Freeman described recent price trends in these terms:

"A little over a year ago -- and in December 1965 -- prices received by farmers began to show substantial, and badly needed, improvement. Prices continued to rise -- reaching a peak last August, when they exceeded the 1947-49 average for the first time since 1952. The following month, however, farm prices started to weaken, and by the end of 1966 they had fallen 5 percent below the August peak."

Prices for dairy products are likely to be higher this year, and meat animal prices should improve later in the year. But, generally speaking, prices for major crops, and also for poultry and eggs, are expected to be lower.

"It will be very tough to improve on the income gains that farmers achieved last year. Higher prices in 1966, coupled with an increase in government payments of about \$800 million, boosted realized net income more than \$2 billion over the 1965 net of \$14.2 billion. And this came about despite a rise of \$2.5 billion in farm operating expenses.

"Not only have prices trended downward, the smaller acreage diversion under the grain programs will result in a decline in government payments. Moreover, we can expect a further increase in operating expenses of perhaps \$1 billion.

"On the plus side, with 25 to 30 million more acres back in production, prospective marketings are higher. Also, farmers' marketing power is greater than ever before.

"The price increases during the first half of 1966 gave us grounds to hope that farmers would continue to get the better break they so assuredly deserve. But I am now concerned that farm prices may be resuming their old and unsatisfactory relationship with retail prices. During most of the past 20 years, retail prices of food products have climbed while prices received by farmers have fallen. Compared with the 1947-49 base, farm prices last month were down 4 percent -- but food prices were up by more than a third.

"A resumption of this 'split trend' would be most discouraging to the American farmer.

"The slogan 'Food is a Bargain' becomes more accurate each year as the percent of income the American people spend for food goes down.

"If farm prices had kept step with increases in the general level of food prices over the past 20 years, consumer expenditures for food last year would have been \$123 billion instead of the actual \$91 billion -- a difference of \$32 billion. Over the 20-year period, consumers would have paid an additional food bill of well over \$100 billion.

"With farmers caught once again in a cost-price squeeze, I hope that other sectors of the economy, as well as consumers, will give increasing thought to the question: How important is it, in today's uncertain and half-hungry world, to maintain a vigorous and prosperous farm productive plant? I think there can be no more urgent need. To that end, the Department of Agriculture will take certain actions to help strengthen farm price and income prospects this year."

The Secretary listed the following:

(1) Expanded Section 32 Purchases. Purchases under Section 32 are likely to be approximately 40 percent higher this fiscal year than the total of \$117 million last year. Purchases of such products as beef, orange juice, pork, turkeys, shortening, margarine, beans, and a number of fruits will help strengthen market prices and augment foods made available to the school lunch and welfare programs.

(2) Expanded Food Stamp Program. Since the beginning of the current fiscal year the Food Stamp Plan has been made operational in an additional 258 communities -- bringing the total number to 589. By June 30, the number should rise to 750, perhaps even higher. The expansion this fiscal year will enlarge food purchases by 800,000 additional consumers and help strengthen farm prices.

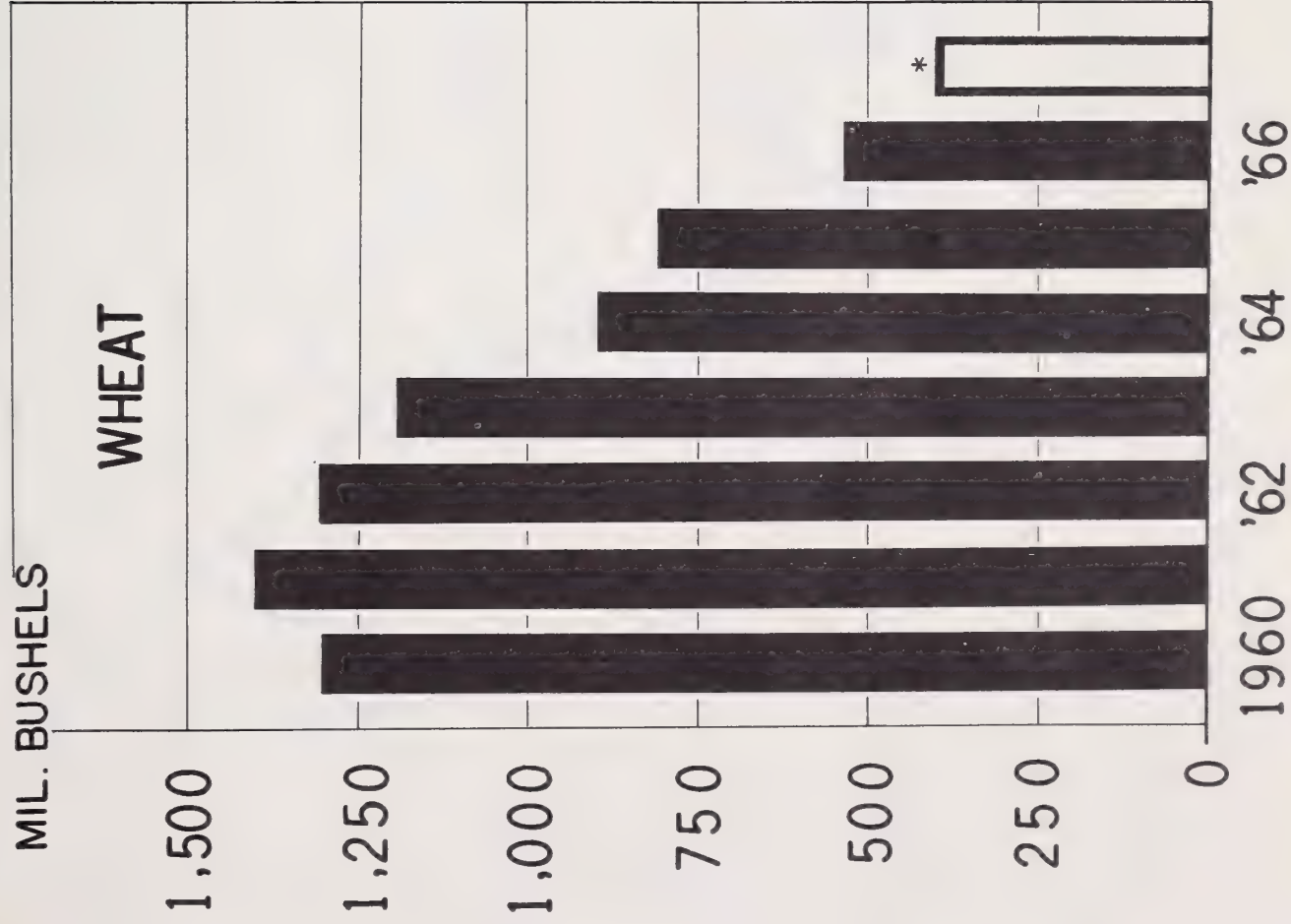
(3) Continued Heavy Programming of Food for Freedom Shipments. Expenditures of over \$1-1/2 billion were incurred last year in moving U.S. farm products to underdeveloped countries. Similar shipments will be made this year.

(4) Domestic Market Development. We are continuing to use the plentiful foods program to stimulate sales of products in unusually heavy supply. And we are cooperating with an increasing number of producer groups, such as for wool, cotton, and dairy products, to increase domestic sales.

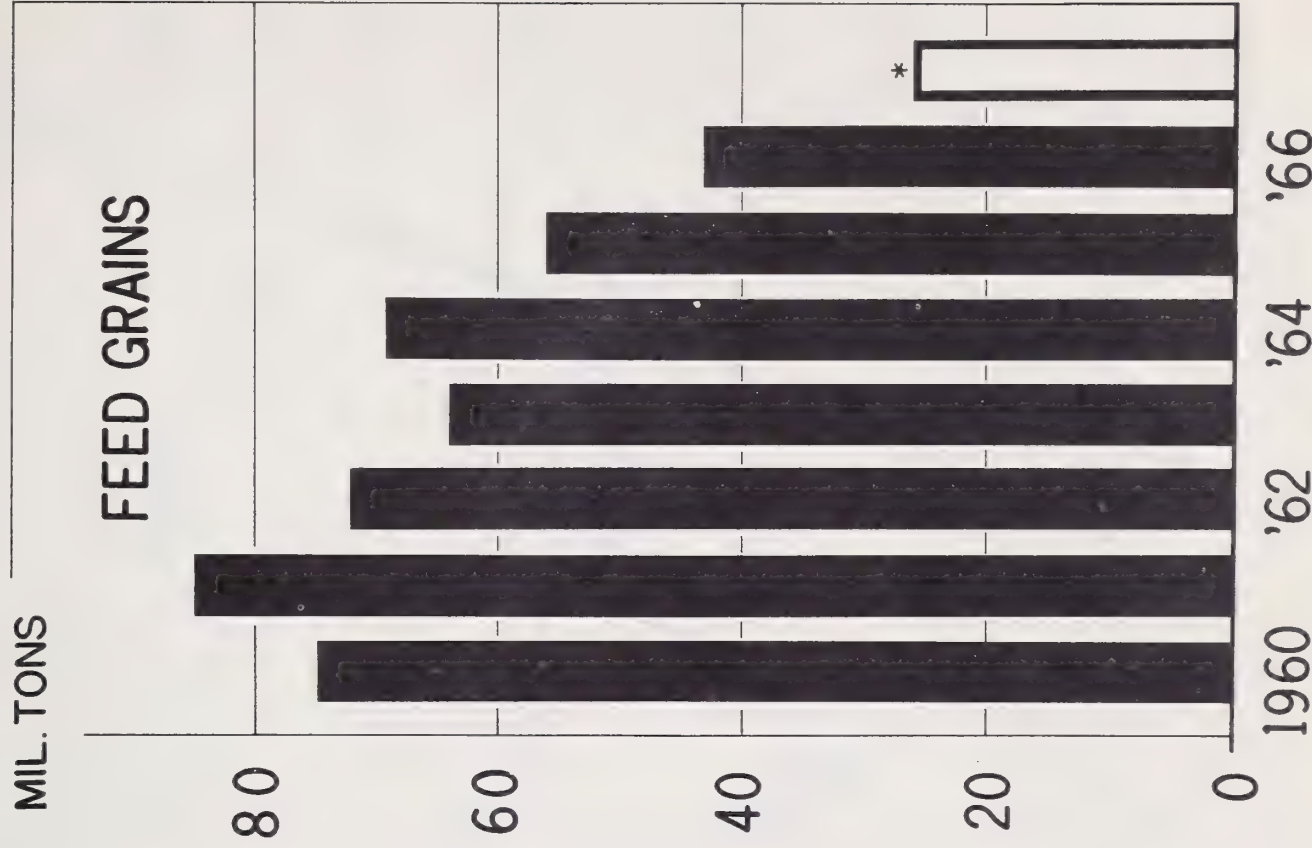
(5) Foreign Market Development. Commercial exports of farm products were record high in 1966. Vigorous export development programs, including the selective use of export subsidies, will be employed in 1967 to raise them even higher.

(6) Support prices. The Department increased support prices on a selective basis this past year. We stand ready to review needs for similar actions in 1967 where authority and funds are available.

CARRYOVER STOCKS



* 1967 ESTIMATED

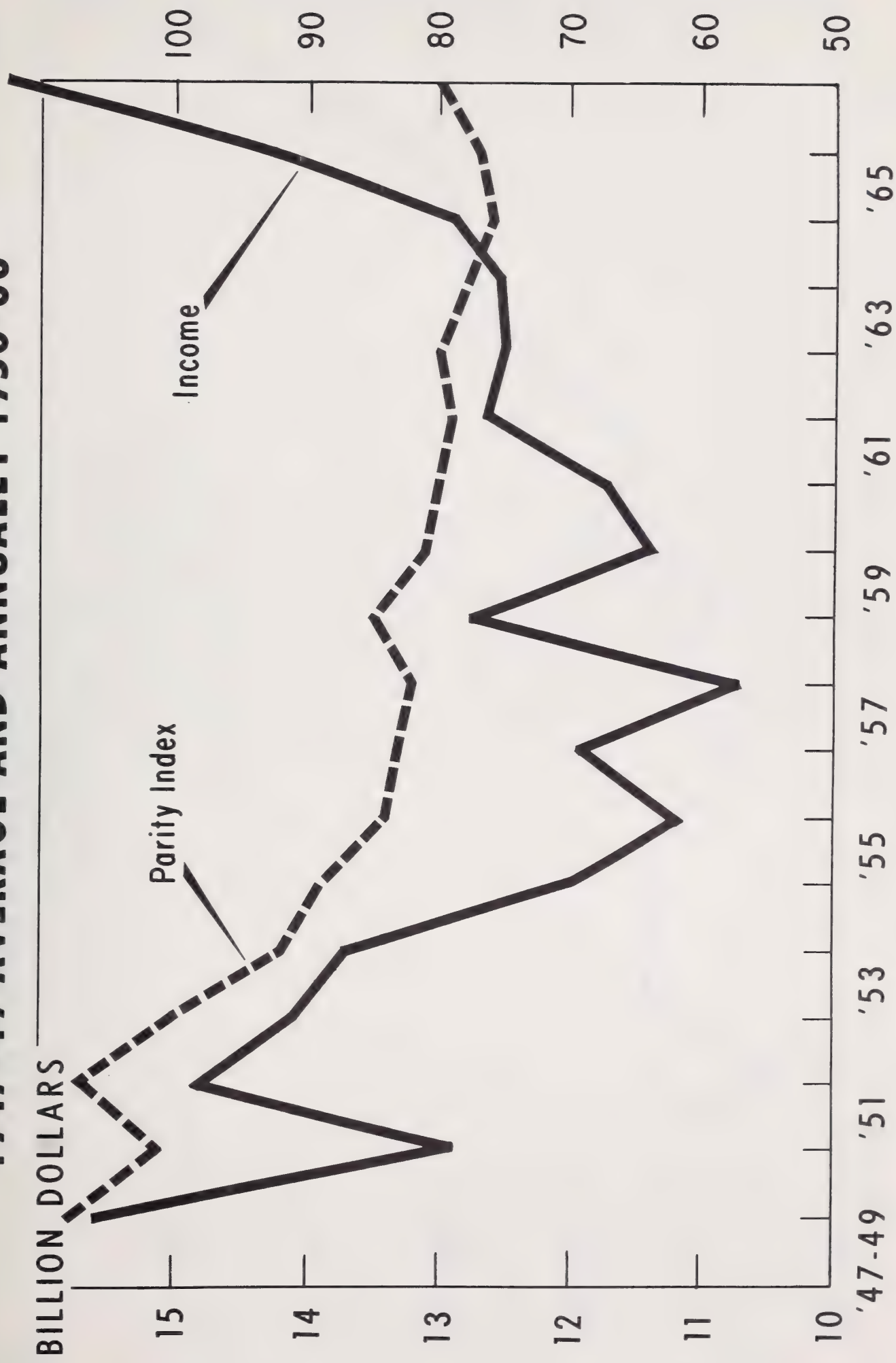


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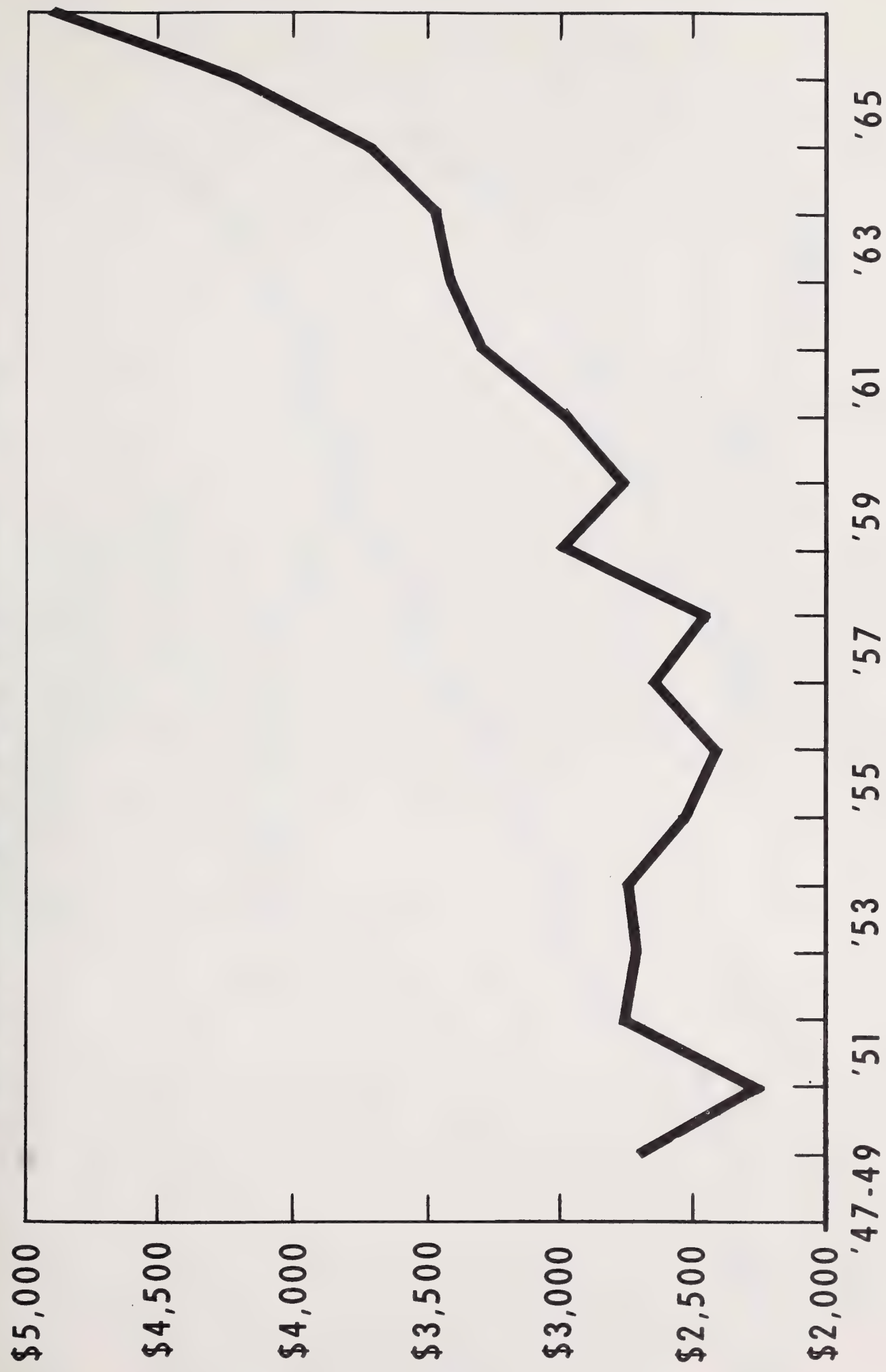
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II **REALIZED NET INCOME FROM FARMING** **1947-49 AVERAGE AND ANNUALLY 1950-66**



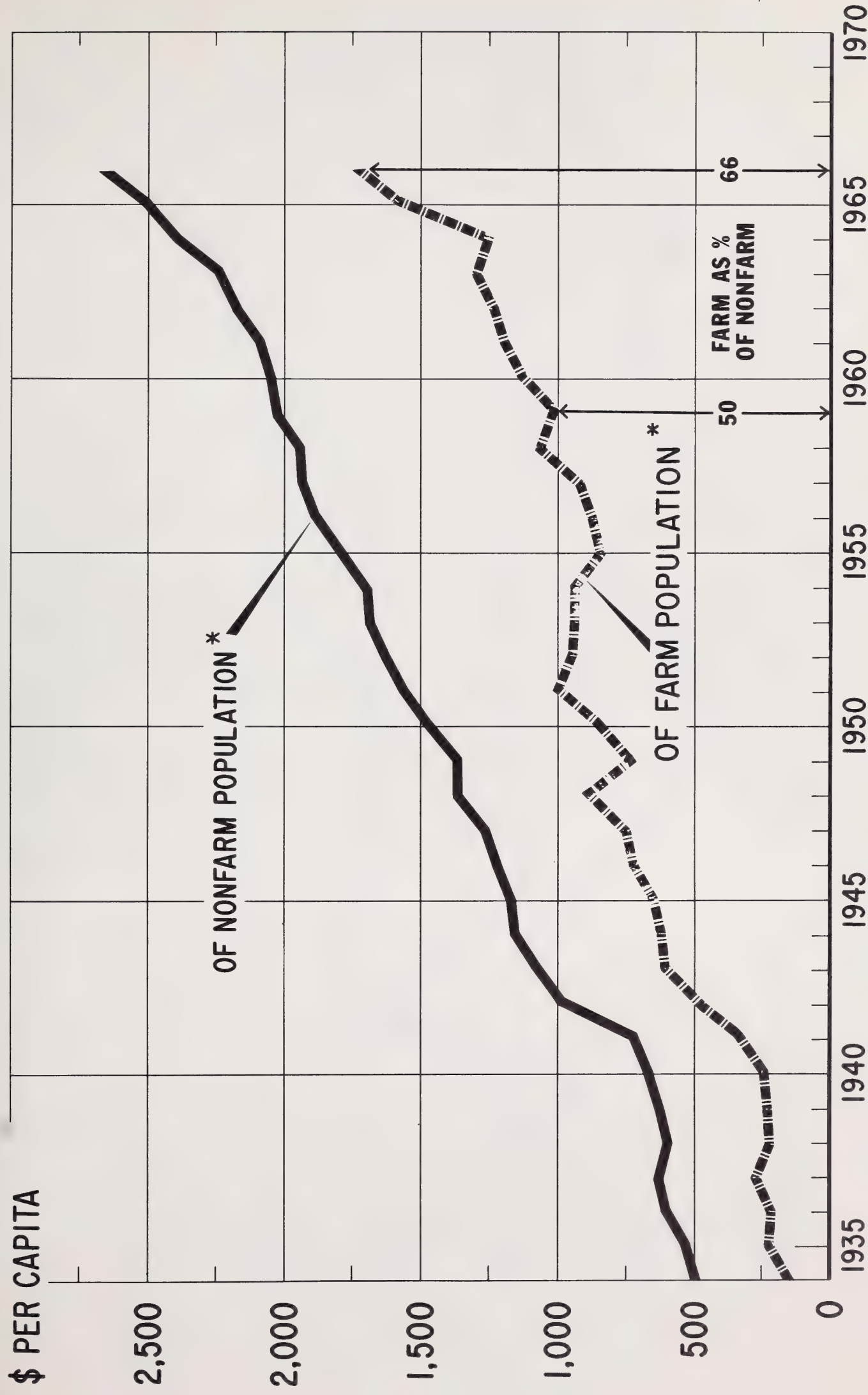
OPERATORS' REALIZED NET INCOME PER FARM AVERAGE 1949 AND ANNUAL 1950-66



U. S. DEPARTMENT OF AGRICULTURE

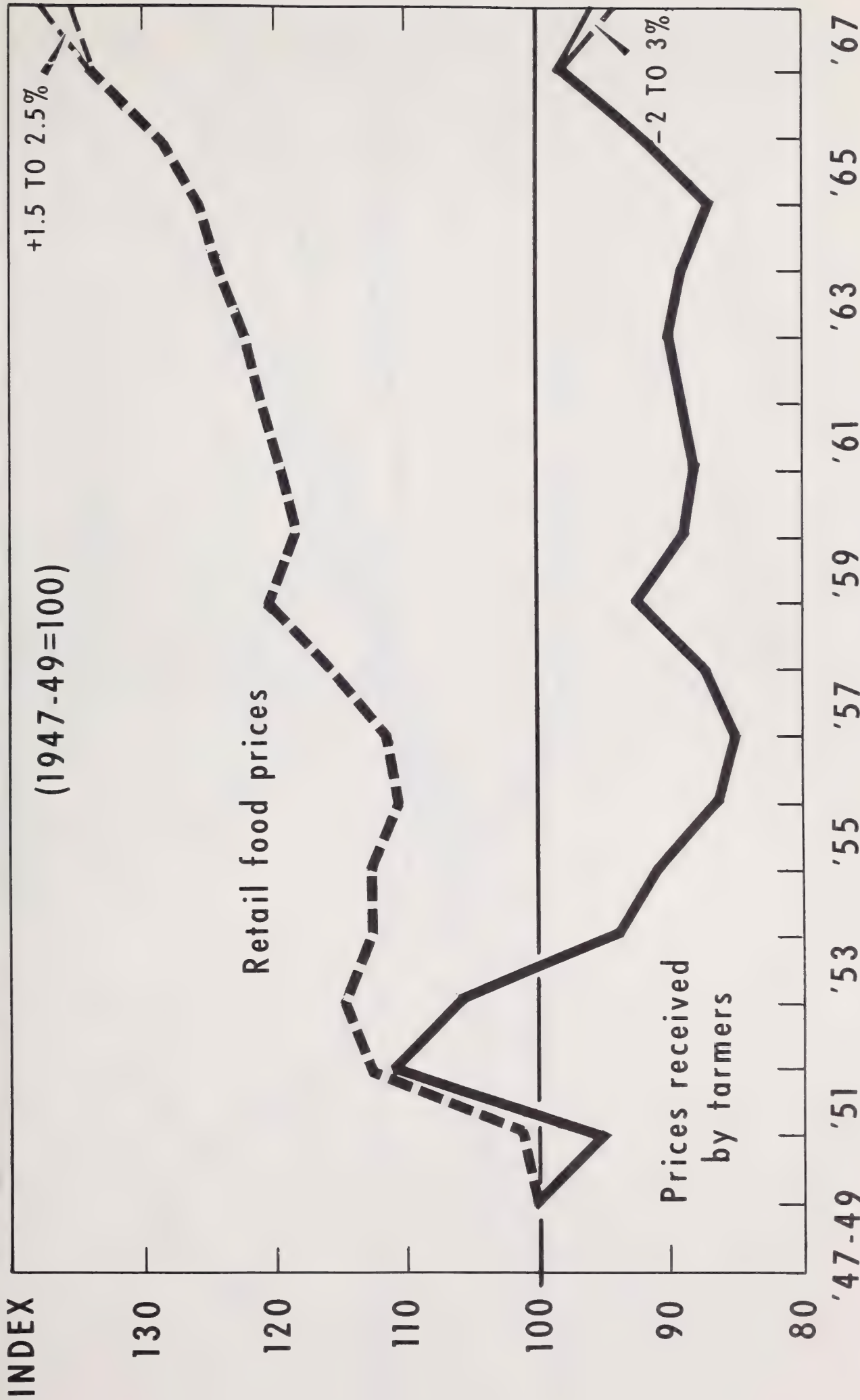
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The following is a list of the names of the persons who have been elected to the office of the President of the United States since the year 1789.

DISPOSABLE PERSONAL INCOME IV



* FROM ALL SOURCES

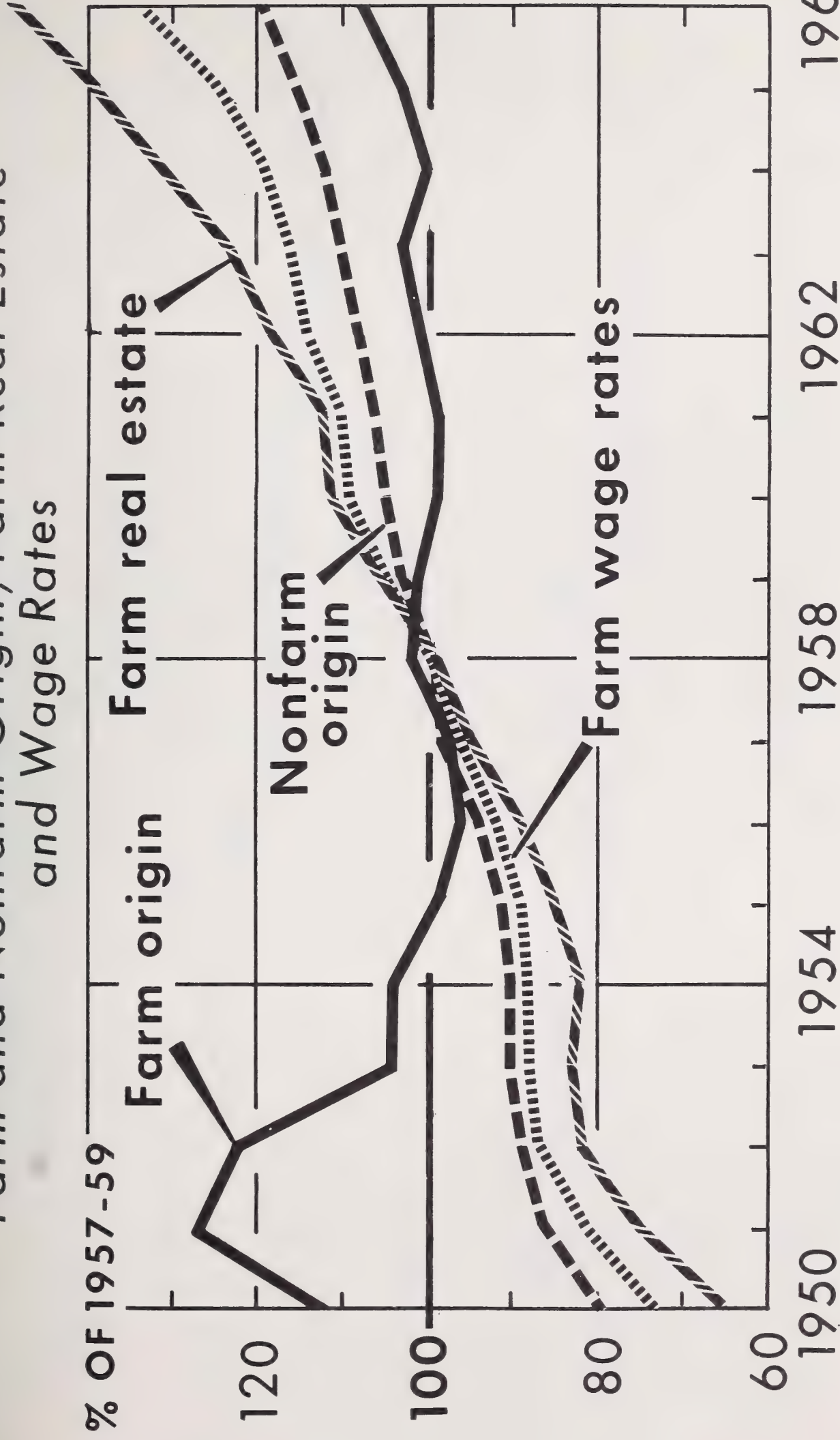
PRICES RECEIVED BY FARMERS AND RETAIL FOOD PRICES 1947-49 AVERAGE, ANNUAL 1950 TO 1966 AND ESTIMATED 1967



VI

PRICES PAID FOR PRODUCTION ITEMS

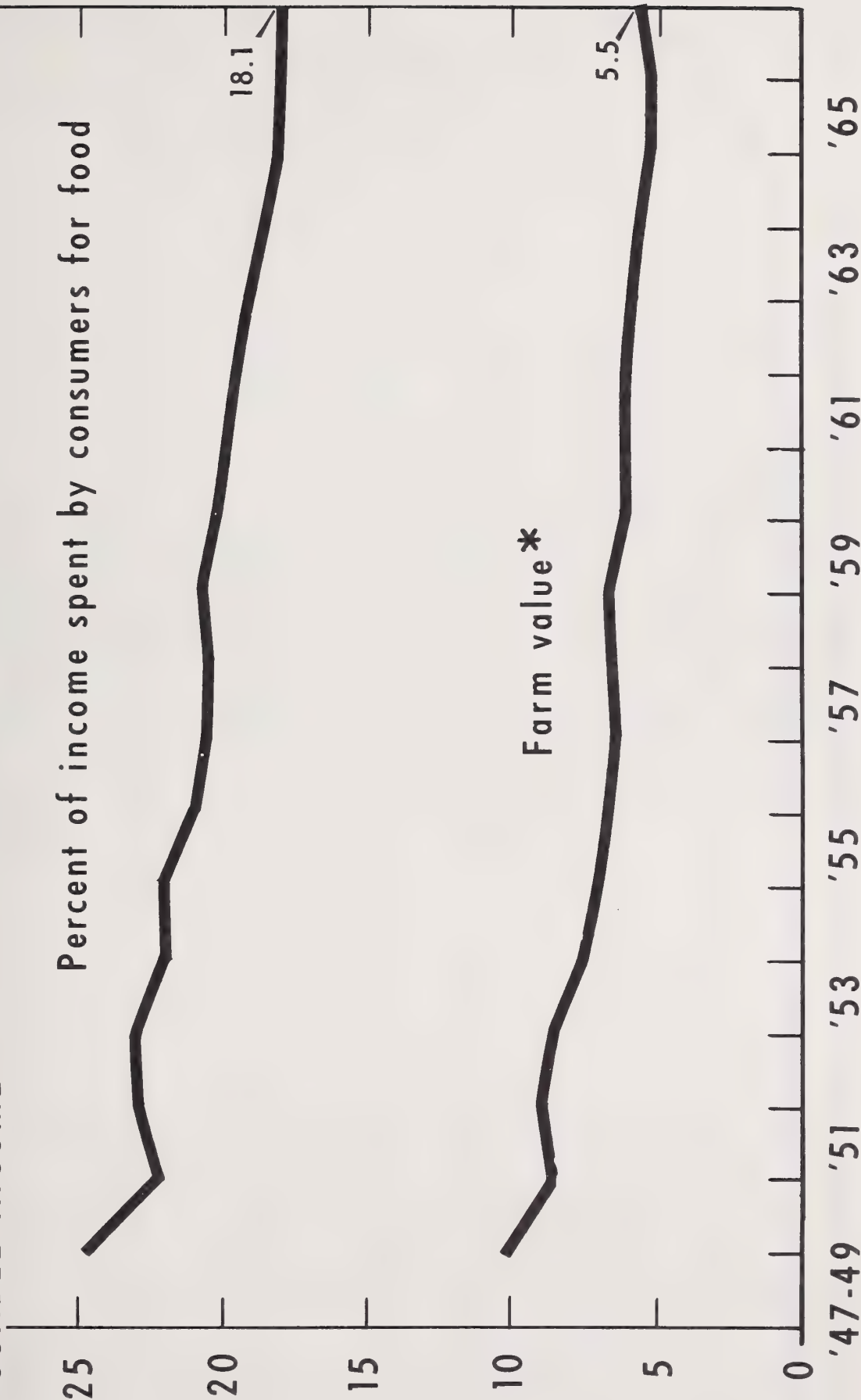
Farm and Nonfarm Origin, Farm Real Estate
and Wage Rates



1966 DATA ARE JANUARY - AUGUST AVERAGE.

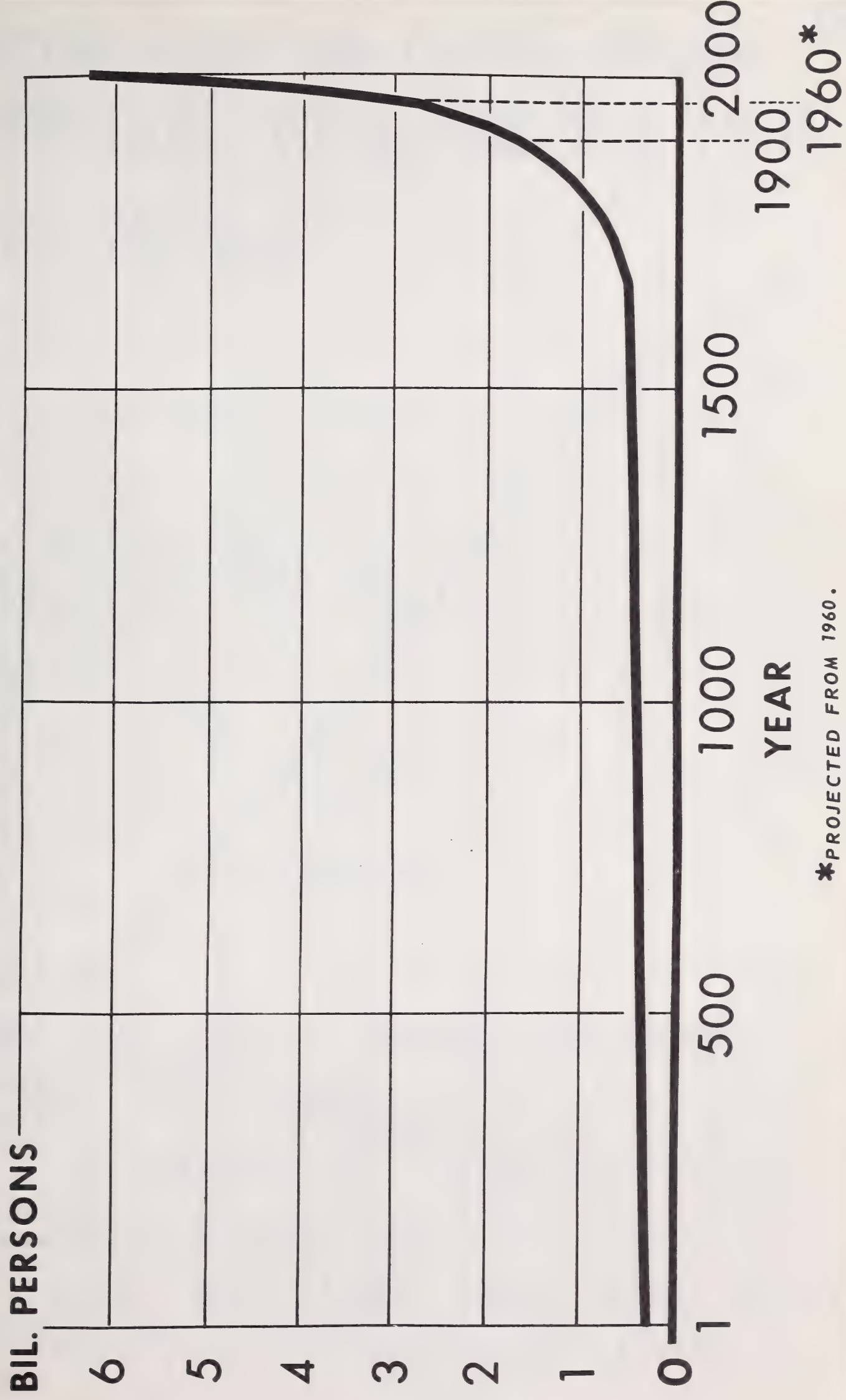
CONSUMER EXPENDITURES FOR FOOD RELATIVE TO INCOME AVERAGE 1947-49 AND ANNUAL 1950-66

PERCENT OF PERSONAL
DISPOSABLE INCOME

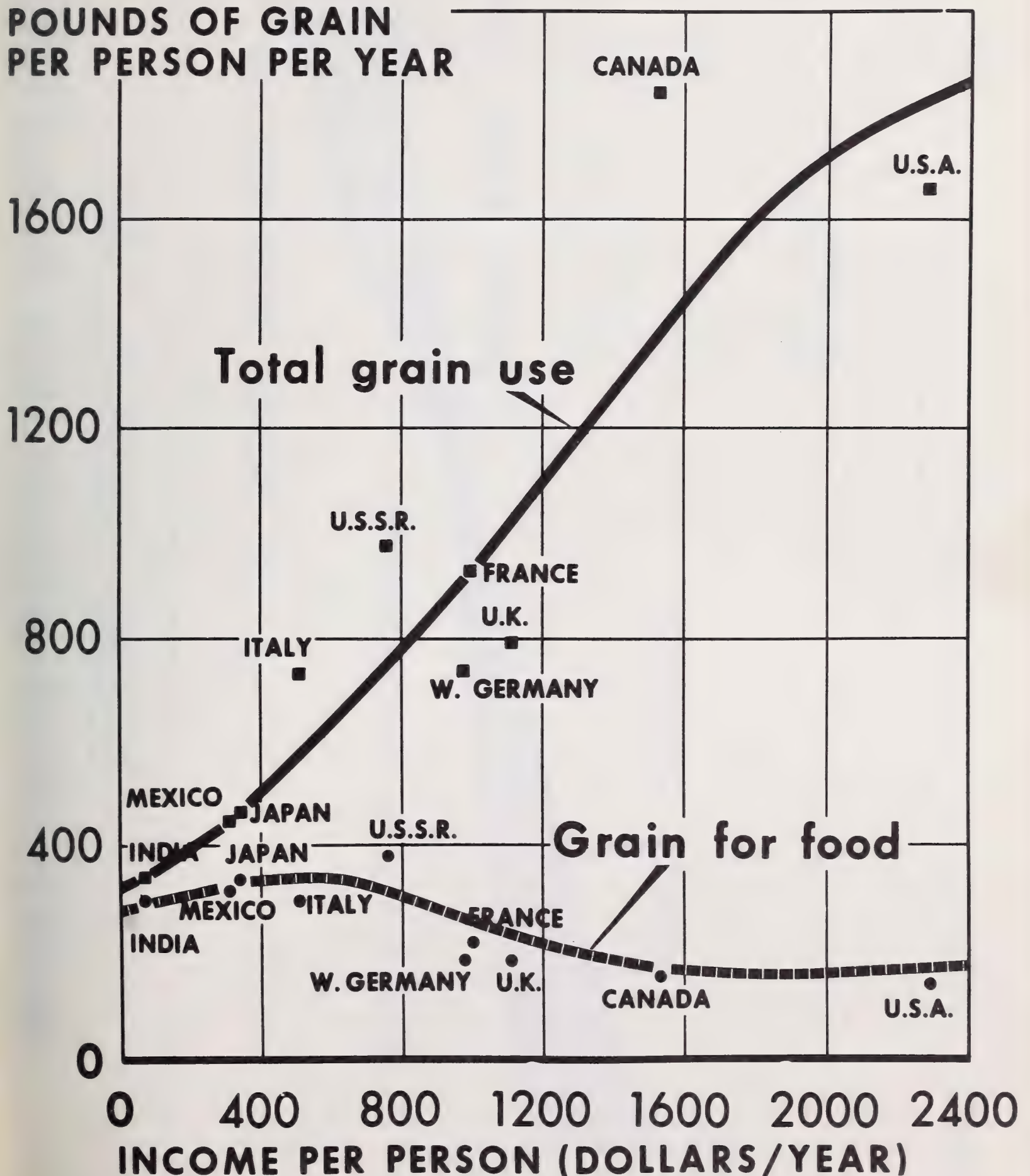


* FARM VALUE OF FOOD PURCHASED BY AMERICANS AS A PERCENTAGE OF PERSONAL DISPOSABLE INCOME. 1966 DATA ARE PRELIMINARY.

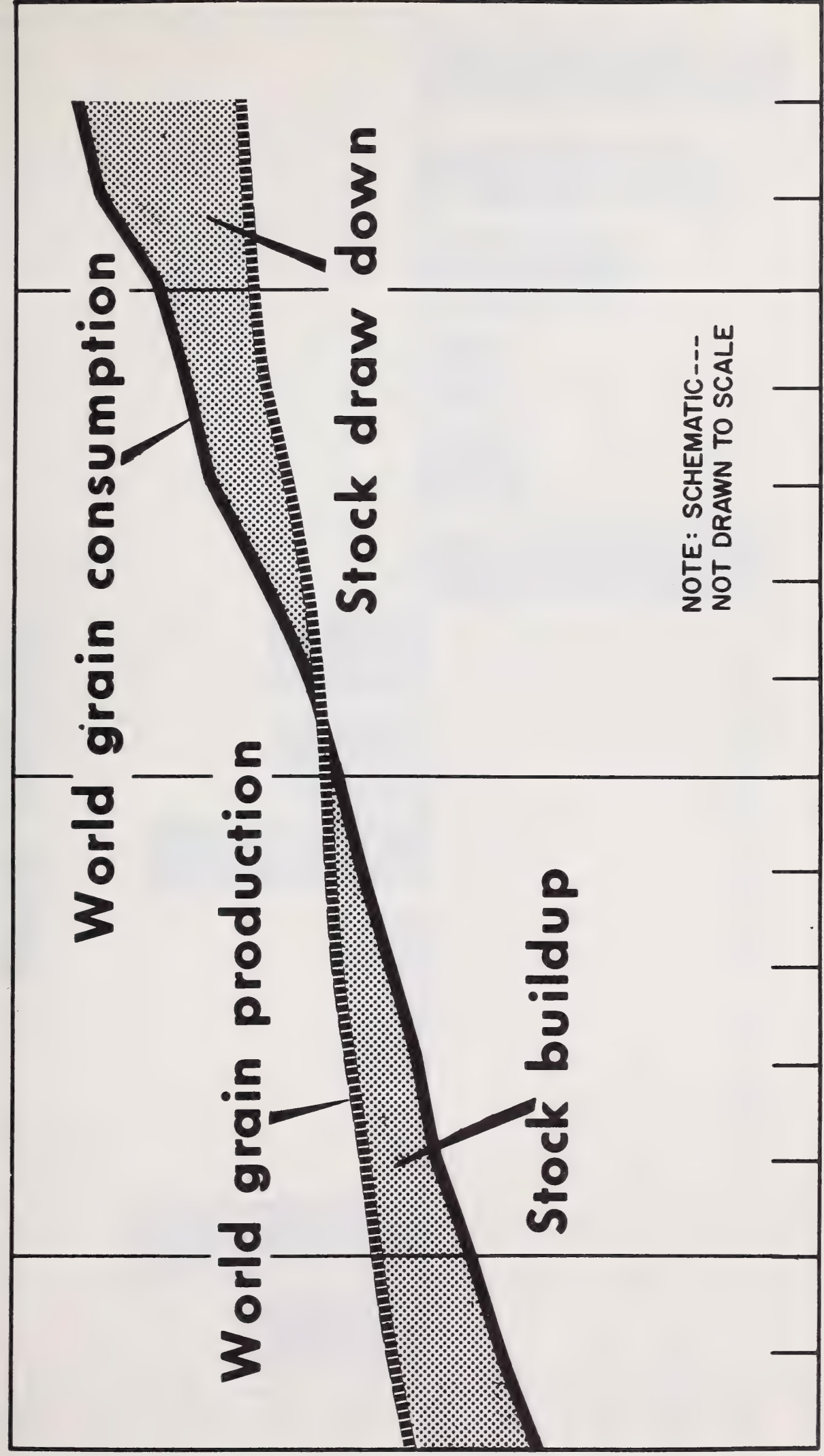
TWENTY CENTURIES OF WORLD POPULATION GROWTH



INCOME AND PER CAPITA GRAIN CONSUMPTION, TOTAL AND FOR FOOD

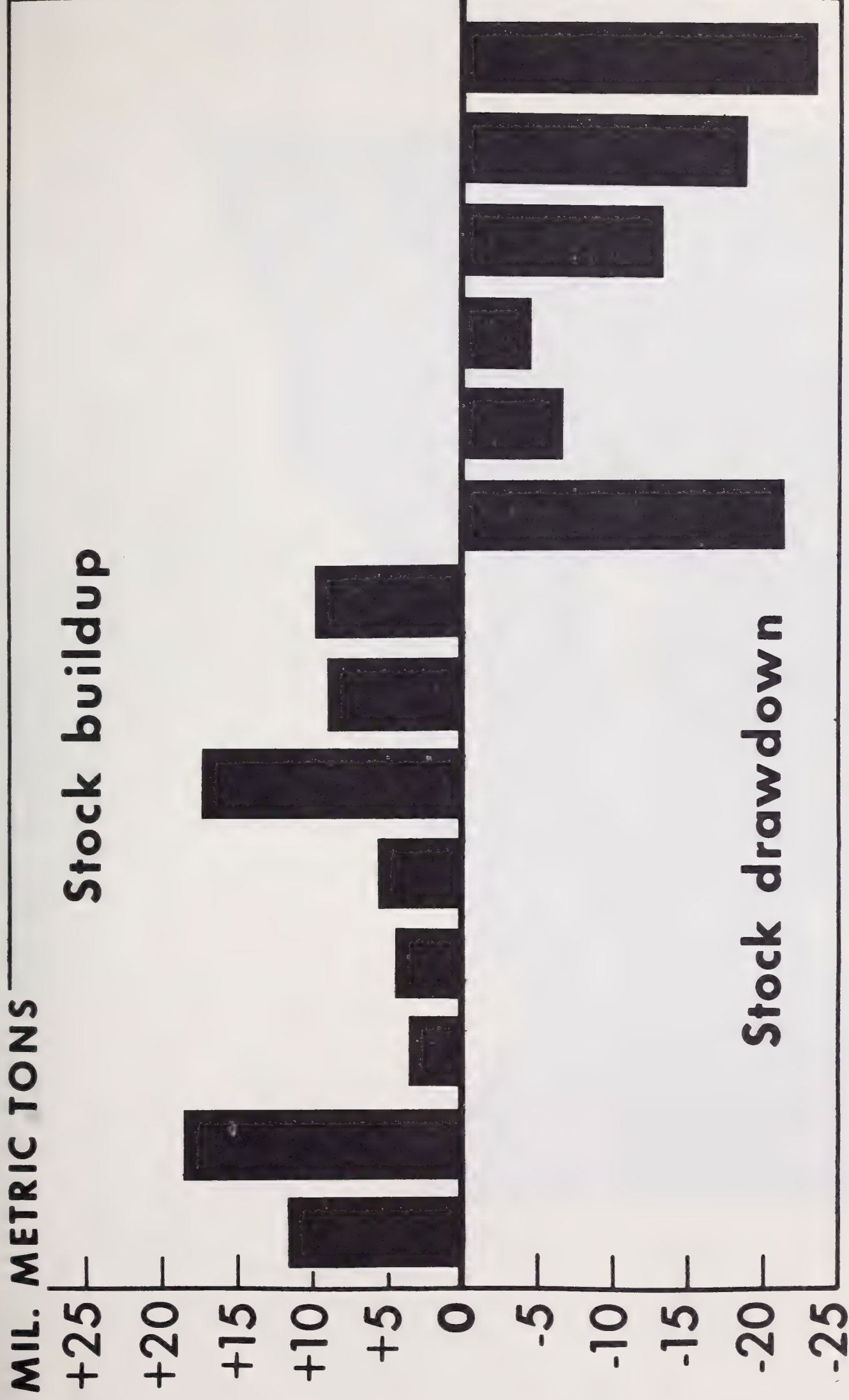


WORLD GRAIN PRODUCTION NOW LAGGING BEHIND CONSUMPTION



1953 1955 1960 1965 '67

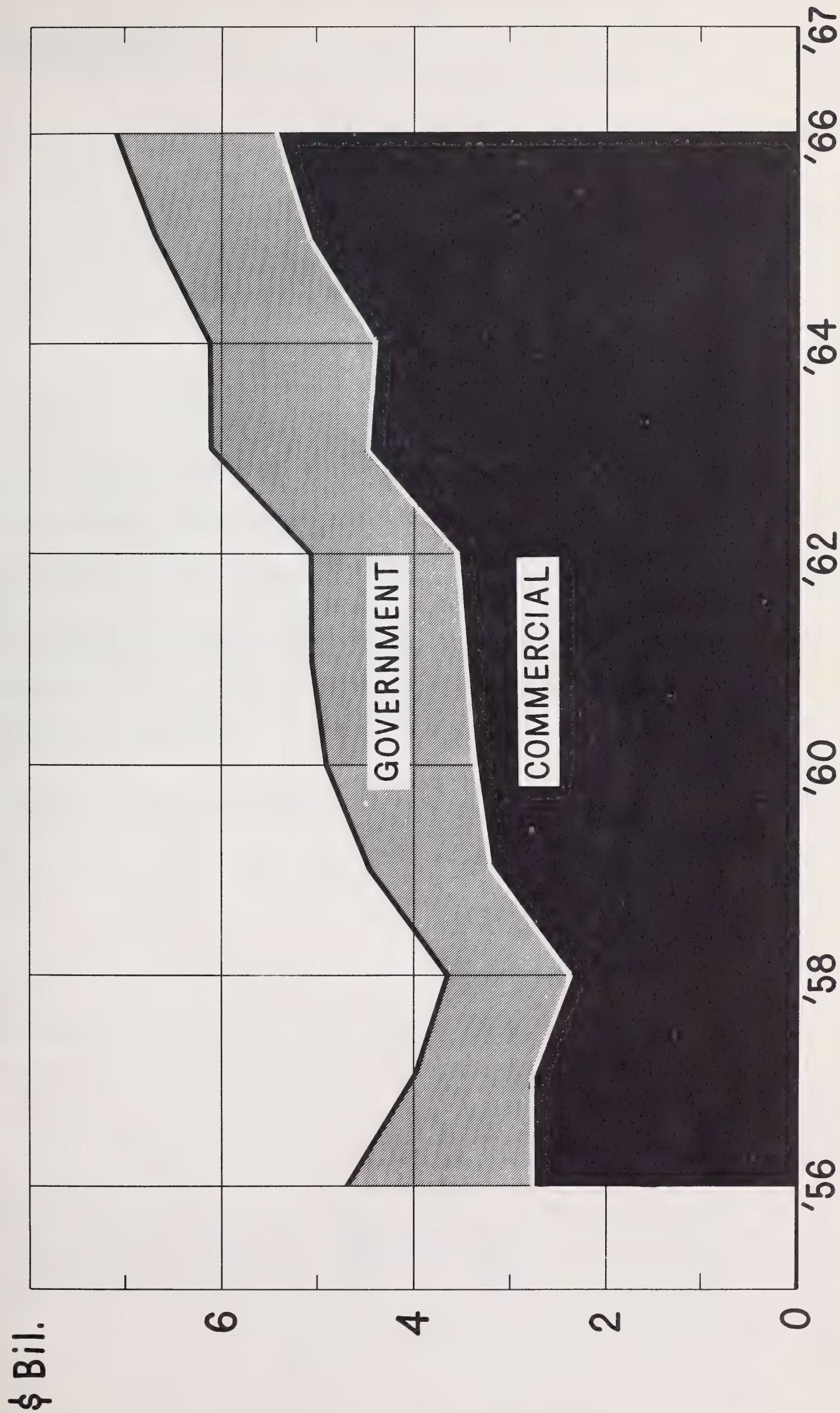
CHANGES IN WORLD GRAIN STOCKS



1954 '55 '56 '57 '58 '59 '60 '61 '62 '63 '64 '65 '66 '67

U.S. AGRICULTURAL EXPORTS

YEAR ENDING JUNE 30



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4p. 2
U.S. DEPARTMENT OF AGRICULTURE
Office of the Secretary

It's been nearly two years since I've had the pleasure of taking part in your Governor's Conference on Agriculture, and I welcomed the opportunity to return today to review with you what's happened since ... and to share with you some speculations about the future.

Back in the 16th century, Michel de Montaigne wrote: "'Tis one and the same Nature that rolls on her course, and whoever has sufficiently considered the present state of things might certainly conclude as to both the future and the past."

If we heed his advice, then we should properly consider the present before we make any conclusions about the future or the past. I intend to do just that.

Today's agriculture certainly is not what it was two years ago. And just as certainly tomorrow's agriculture will not be what it is today.

Considering the "present state of things," I think I can conclude that American agriculture has laid some important foundations for today and tomorrow in the two short years since I visited with you last.

Address by Secretary of Agriculture Orville L. Freeman at the Third Governor's Conference on Agriculture, at the Sheraton Hotel, Louisville, Kentucky, 6:30 P.M. (EST) Wednesday, January 25, 1966.

Here in Kentucky -- as a result of Governor Breathitt's creative, hard hitting leadership, through the work of your Commission on Agriculture, and, I would hope, partly as a result of the efforts of the USDA -- you are well on your way toward the billion dollar farm income goal which has been your State's dream for many years.

The last time I met with you, I reported that an increase of between \$300 and \$400 million would bring you to your goal ... and I remember describing this as a "big jump" indeed.

Yet already today, you're within a hair's breadth of completing that jump.

Economists are now estimating that Kentucky's gross farm income may reach the \$920 million mark for 1966, or 8 percent greater than the 1965 total. And realized net farm income in Kentucky may be as high as \$395 million.

With your continued efforts, and with the new help provided by the Food and Agriculture Act of 1965 and the Food for Freedom program, I'm confident you'll break the billion dollar barrier this year or next.

Governor Breathitt, members of the Kentucky Commission on Agriculture, and citizens of Kentucky -- President Johnson has asked me to bring you his congratulations on this record of progress and accomplishment.

Today, Kentucky is a different, and, I believe, better place in which to farm and to live than it was when I visited you just two short years ago.

(more)

USDA 259-67

The same holds true on the national level.

We began to turn a dramatic corner in agriculture two years ago, and we completed the turn last year. Now we have moved into a New Era in Agriculture -- an era of change, challenge, and hope, an era in which we'll complete the foundations we're building for the agriculture of the future.

To appreciate the significance of that turn into tomorrow, let's spin the clock back for just a moment to 1960 ... to that point in time when a decade and a half of overproduction had piled up costly, price-smothering, income-stifling surpluses and cast a pall of gloom over the future of the American farmer.

Think back. What would you have thought had the Secretary of Agriculture appeared before you in 1960 and made these predictions?

1. By January 1, 1967, surpluses of corn, wheat, milk, vegetable oil, and rice will be gone, and tobacco and cotton surpluses greatly reduced.

2. By 1966, total net farm income will rise from the 1960 level of \$12.7 billion to \$16.3 billion, the second highest mark in history and gross farm income at \$49.5 billion and net per farm income at \$5,024 will set all-time records.

3. By 1967, agricultural exports will climb from \$4½ billion to \$7 billion.

(more)

4. By 1967, the Government for all practical purposes will be out of the marketplace. Agriculture will be freer of controls than at any time in decades.

Had you heard those predictions, I'm sure you would have suspected that the Secretary of Agriculture had harvested a bumper crop of Kentucky bourbon before he stepped to the podium.

Well, I didn't make those predictions, and if someone else had I'm afraid I would have been sniffing his breath suspiciously, too.

But ... if bourbon sharpens the visionary focus that well ... then Kentucky's got a new testimonial for one of its best known products.

For all of these things did happen!

Because our farm programs have worked ... and because we put our vaunted abundance to work feeding hungry people ... surpluses are gone.

With the suffocating surplus mantle thrown off, farm prices grew and farm income blossomed. Nationally, net farm income in 1966 was the second highest in history, and gross and net per farm income did set all-time records. The 1966 income figures I've quoted are brand new ... released for the first time today.

(more)

USDA 259-67

And agriculture is freer than it has been for many years. The feed grains, wheat, and, in part, cotton programs are now voluntary. Only rice, peanuts and tobacco are still under mandatory programs and these have been approved in farmer referenda by majorities of 98 to 99 percent.

Similarly, the Government, in the form of the Commodity Credit Corporation, has largely removed itself from the marketplace.

Farm commodities are now our leading single export ... and the biggest positive contribution to our balance of payments position. Farm exports set new records in seven of the past eight years and in 1967 will surpass \$7 billion.

Again, as in the progress made in the State of Kentucky, this national advance of agriculture didn't "just happen."

It took six years of tough fights in the Congress; it took two great Presidents, both committed to bringing prosperity to rural America; and it took close cooperation between the United States Department of Agriculture and groups such as your Governor's Commission on Agriculture to arrive where we are.

Now let me make it emphatically clear that not all of agriculture's problems of today -- or tomorrow -- have been solved.

Let me point out as strongly as I can that -- despite steady progress all along the agricultural front the last six years -- the farmer's income still lags far behind that of other Americans.

(more)

On a per capita basis, the average farmer's income in 1966 was only \$1,700, whereas the average nonfarmer's income was \$2,610.

And farm prices, though up last year, have been down the last few months, and today are less than they averaged between 1947 and 1949.

But at the same time, food costs are 35 percent higher.

This discrepancy the farmer bitterly resents -- and properly so. It must be corrected. It must be corrected because it is unfair to the farmer -- and therefore wrong. It must be corrected because if farmers don't get a fair return commensurate with other segments of the society, we will lose our best farmers. And if that happens, the entire nation -- not just the farmer -- will be hurt.

Let me turn now from the farm price problem of today to a potential production problem of tomorrow.

Today, surpluses are gone and agriculture is more in balance than it has been for half a century. But no sooner have we dug ourselves out of the "no farm program mess" of the 50's than certain elements are calling for the abolition of all farm programs and a quick return to totally unrestricted production.

They ignore two facts. First, the farm programs they want to see abolished are the very programs that adjusted farm output expansion in the Sixties until the surpluses of the Fifties were reduced and relative balance restored. At the same time, these

(more)

USDA 259-67

programs, largely voluntary, strengthened the market ... and helped boost farm income through commodity supports and direct payments.

Second, even with large increases in plantings this year, these same programs will continue to help farmers hold 30 to 35 million acres out of production.

If this acreage, coupled with rapidly accelerating yield per acre potential, were unleashed all at once, we'd be plunged right back into the gloom of 1960 ... inundated by new surpluses, and the price and income structure crushed again.

Technological breakthroughs in production potential will make it infinitely more difficult than it has ever been before to adjust farm output expansion to effective demand in the years immediately ahead. Yet it must be done.

It can be done, for now in the Food and Agriculture Act of 1965 and the Food for Freedom Program of 1966, we have the tools to do it. With cooperation among producers, the trade, agribusiness and government, we can hold a workable balance between supply and demand, strengthen the agricultural economy, and encourage the advances we will need as demand grows in the years ahead.

Now let me bring this overproduction problem down to specifics -- down to nuts and bolts as it were -- with an appropriate example -- Kentucky tobacco.

(more)

USDA 259-67

Tobacco accounted for an estimated 32.8 percent of Kentucky farmers' receipts from all agricultural commodities -- including your great livestock industry -- last year.

Your acreage allotment and price support program for burley tobacco have been an outstanding success story ... but in recent years some problems have developed.

The problems, we all know, are due primarily to substantial increases in per acre yields. Not only have these yield increases resulted in a surplus ... but, as farmers strive for quantity, quality is deteriorating.

In the five years from 1956 through 1960, the average burley yield per acre was 1,620 pounds. In 1966, the estimated average yield per acre reached an all-time high of 2,284 pounds -- an increase of more than 40 percent. And, I'm told, many farmers have already produced 3,000-3,500 and even 4,000 pounds per acre.

In 1966 we saw the result of the yield per acre increases. It was necessary to reduce acreage allotments by 15 percent ... but -- and here is the problem -- total production was reduced by only 6 percent.

This poses the question: Can controlling acreage alone regulate tobacco supplies to keep them in line with effective demand? If it can't be done that way, we must find some other method or face disaster.

(more)

The 89th Congress, upon recommendations from tobacco industry leaders and the Administration, authorized a new program to regulate output. Actually this program -- called acreage-poundage -- had its origin in the burley area some 10 years ago.

In 1965 a referendum of growers of flue-cured tobacco was held. The flue-cured growers voted to adopt the acreage-poundage method of regulating supplies. The program became operational in 1965 and was followed in 1966. Here's what's happened since:

1. The surplus supply has been reduced 233 million pounds in two years.

2. Tobacco taken under Government loan dropped from 20 percent to 6.8 percent.

3. Loan stocks have been reduced 27 percent, or a total of 262 million pounds.

4. Quality has greatly improved.

5. Exports have increased, and may go up as much as 20 percent during the current year.

6. Growers received an estimated 67 cents a pound in 1966 ... 8.5 cents more per pound than they received before the acreage-poundage method was adopted ... and a new record high. Growers received an average of 58.5 cents per pound for the 1964 crop and 64.6 cents a pound for the 1965 crop.

(more)

This is a mighty impressive record.

What, then, do we do about burley? Taking into consideration the burley tobacco leadership's support of the acreage-poundage method ... the steadily increasing yields per acre ... the need for quality tobacco production ... and the mandate in the law which states that the Secretary of Agriculture must give growers an opportunity to vote in a referendum if he determines that acreage-poundage may be a more effective means of administering the quota program -- I have today signed a proclamation announcing a referendum on acreage-poundage for burley tobacco.

This referendum will permit growers to decide which program -- the present acreage allotment system or an acreage-poundage method -- will best serve their interests in maintaining a sound tobacco industry in the years ahead.

Now -- in the time remaining -- I'd like to discuss with you another matter of major importance ... importance to city people as well as to country people.

On September 8, 1966, President Johnson announced two wise and important decisions.

He established a National Advisory Commission on Rural Poverty -- which I am confident will make history -- and he appointed your own Governor Breathitt to chair it.

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USDA 259-67

It is appropriate, I think, to examine two questions which come immediately to mind in connection with the President's action.

(1) Why did he establish such a Commission? (2) Why did he select Governor Breathitt to chair it?

Let me direct attention to the first question.

No problem is as severe, nor threatens the future of this country more, than the two-horned dilemma of too little opportunity in the country and too little space in the city.

Sometimes this threat to our national well-being is called, simply, the poverty problem. Sometimes it is referred to as the displaced farmer problem. Frequently the words slums, ghettos and human degradation are used to describe it ... for it embraces all of these and more.

Let me describe it with statistics and examples.

First let's look at the countryside.

Though only one-third of our people live in the country today ... we find half of our poor there. And ten million of the sixteen million rural poor are not farmers.

In a word, the country is job-starved. There are enough underemployed in rural America to equal 2.5 million unemployed.

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USDA 259-67

From 1950 to 1965, 13.6 million new jobs were added to the country's economy. Yet, in a sense, not one was created outside urban America!

This is not precisely true, of course. But let me put it this way: Neither the total rural population, nor the total rural labor force, varied significantly in that 15-year period. Yet during those years we did, indeed, add 13.6 million more jobs to the economy.

Job starvation is only one problem in rural America. Rural communities are short doctors, dentists, clinics, hospitals, classrooms, meeting halls, libraries, theatres, swimming pools, golf courses, and many other things that make a place better to work in, play in ... live in.

Rural communities face a housing shortage. By 1972, it is estimated, between a million and two-and-a-third million more rural homes must be built -- and millions more repaired and improved.

Rural communities need modern facilities. At least 30,000 need improved water systems, and an even greater number better sewer systems.

At the time of the last census, some 7 percent of city school children were behind in school ... but 11 percent were behind in the country. City elementary schools had an average of 11 to 18 teachers per school. Rural counties had an average of less than 4 teachers per elementary school.

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The percent of school dropouts averages about 33 percent among rural school children ... but only 26 percent among city children.

Sixty-three percent of the children of white collar workers who complete high school go on to college. But only 27 percent of farm children do.

Opportunity-hunger in the countryside is compounded by each of these problems. A shortage of jobs means a shortage of taxes. A shortage of taxes means a shortage of classrooms and public services and facilities. A shortage of services and facilities discourages those businessmen and industrialists who could bring jobs to the countryside from locating there. And so the endless circle continues ... breeding more and more despair and discontent.

And what do the despairing and the discontented do? They move to the cities.

This migration from countryside to city has been going on for many, many years, but in recent times the exodus has accelerated. Now what we have is an old set of problems, transported to a new set of troublesome circumstances.

Thus the slums of our big cities today are peopled largely by rural immigrants, or the descendants of rural immigrants, who migrated to the city in hopes of a better life ... and found instead the ghetto.

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Let's consider the hypothetical example of a man whose small farm no longer can provide himself and his family with a decent standard of living ... and he is unable, or, for other compelling reasons, unwilling to increase his farming operation to viable size.

It is unrealistic to expect -- and cruel to hold out hope -- that farm commodity programs can bring salvation to the farmer whose inadequate-size farm no longer can sustain him. Commodity programs are not designed to do that. They are not welfare programs. They are designed to make possible a tolerable balance between supply and demand in the market so that the adequate-size commercial family farm can earn a fair price for its products and a decent standard of living for its owner-operator.

Now suppose this farmer we're talking about is 45 years old. What is he to do when his farm fails him and his family? There are no jobs in the small town where he's done his modest shopping ... and no nearby opportunities for job training.

Without choice, he packs his belongings and moves to the city ... there to become the Biblical "stranger in a strange land."

His limited means limits his choice of housing ... and he settles in a tenement in the decayed heart of the city. His limited education -- perhaps no more than eighth grade -- limits his job perspective and potential. His limited occupational skills are useless in the city ... for who needs a man to plow a straight furrow up an asphalt field ... or mend a harness for a mechanical mule?

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USDA 259-67

Soon he finds there are thousands like him ... all disillusioned, all disenchanted, all weary of scrambling for the menial jobs that fall to their lot in piecemeal fashion.

Left behind in a world that had passed him by, trapped in a life that was not his making, crushed by the death of misbegotten hope, his pride expires and his spirit flees. As his pride dies, his authority withers, and as his authority withers, his children lose respect. Sooner or later they wander off to take up blighted lives of their own.

Though I've used a hypothetical case, I know and you know that living counterparts of this human tragedy are taking place every hour of the day in every big city in America.

And they will continue to take place -- in ever growing numbers -- as long as the outmigration from the country goes on.

Given our present demographic and migration patterns, by the year 2000 three of every five Americans will live in five "strip cities" with nearly twice the population density of present-day Japan.

These cities, and other urban complexes, will contain 70 percent of our population on some 9 percent of the land. The other 30 percent of our people will live on the remaining 91 percent of the land.

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Now certainly, the present problems of the cities -- congestion, soot, smog, human disillusion and frustration, crime, delinquency, riots, inner decay and outward ugliness -- won't be eased by millions more jammed into less and less space.

Yet if this is what we want, we can surely have it. All we have to do is ... nothing. If, on the other hand, we want an America tailored to human size, an America where human values and human resources are given more consideration and invested with greater worth, we can have it ... by doing something.

Happily, this Nation is coming to realize that one of our greatest assets in this increasingly crowded world is space ... the one commodity in great abundance in Countryside U.S.A.

We are coming to understand that we can make another place in the countryside for those who, for one reason or another, cannot find a rewarding place in commercial agriculture. More than that, we are coming to believe we can help relieve the strain on our crowded, troubled cities by building new opportunity into the countryside for those city dwellers who want to live and to work in rural America. And -- the Gallup Poll revealed last spring -- half of our people do want to live there.

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And rural America boasts more than space. It has fresh air and sun and sky and water. It has proximity to nature. It has uncrowded streets and sidewalks. It has power and communications and transportation. It has a built-in labor pool of people who are eager to work. And it has real profit potential for the businessman and the industrialist who can appreciate the benefits of a healthy, happy work force and relatively low overhead.

Some rural communities already have almost everything people and industry could want. Others need help. And help is on its way.

New legislative tools to do the rural development job, tools enacted for the most part by the 89th Congress, are covering the whole range of rural needs, from water and sewer systems to job retraining to loans for better housing to many other services and facilities, and providing the means to attack and solve problems at the local level.

Tools, however, are useless without a skilled work force to utilize them, and a plan to follow. But here, too, we are making progress. I don't intend to minimize the difficulties on the local level which these new programs have presented to local leaders. I know they exist, and I know that coordination has sometimes been a frustrating, difficult task.

Nevertheless, progress is being made, and new ideas and new approaches are helping to close the coordination gap.

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And here is where I intend to offer an answer to the second question of why President Johnson took the action he did last September.

Why did the President name Governor Breathitt to chair the National Advisory Commission on Rural Poverty? Because Governor Breathitt and the State of Kentucky had already shown the President and the Nation that they were attuned to both the problems of rural America and to the ideas and approaches to solutions.

Here in Kentucky, you have pioneered the multi-county approach, keyed to growth centers within each multi-county unit, and allowing concentration of manpower and resources within a logical framework.

Your State has also been a leader in the multi-State regional approach to common problems, providing much of the leadership and drive for the Appalachian Regional Commission -- a new approach now being used in the Upper Great Lakes and the Ozarks -- and your State-wide Kentucky Development Council can well provide a model for other States determined to achieve coordinated, State-wide human and economic development.

And now your Governor Breathitt has a new charge -- a direct assignment by the President of the United States to put his insight and experience to work on the whole range of rural need -- from border to border and coast to coast.

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He and other members of the National Advisory Commission on Rural Poverty -- all outstanding private citizens -- will study the problems of low income, retraining, unemployment, rural economic development, sources of additional rural employment, housing, health and cultural opportunities, the adequacy of rural community facilities and services and the present state of our rural development program.

Governor Breathitt's commission will then present recommendations for action to the President's Committee on Rural Poverty, a group of Cabinet-rank officers which I have the honor of chairing, and next September will report to the President.

Study and planning are the keys to success in the massive effort now getting underway to bring parity of opportunity to rural America ... and breathing room to our cities. I am confident that Governor Breathitt's Commission will achieve the big breakthrough we need in this effort.

Many years ago, Henrik Ibsen wrote: "I hold that man is in the right who is most closely in league with the future."

Governor Breathitt and the great State of Kentucky are in the right, because they have proved that they are, indeed, in league with the future.

I am confident you will stay that way.

Thank you.

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THE ISSUE OF RURAL DEVELOPMENT:

COMMUNITIES OF TOMORROW

We are now seven years into the seventh decade of the Twentieth Century, poised at a point in time when fundamental, widespread and irreversible change in the fabric of the United States is occurring daily.

Thirty-three years ahead of us lies the dawn of a new century. And if that date has the ring of the far-distant future, it might be well to recall just how short a period three decades really is.

We are equidistant in time today from the year 2000 and the year 1934, the second year of the New Deal. Rural America then, as now, was in crisis, but of a different order -- a crisis highly visible, affecting almost the total rural population, and part of a larger economic crisis affecting the entire Nation.

The Nation responded to this crisis, creating agencies and programs to conserve the soil, to bring electricity to the countryside, to bring agricultural supply and demand in balance, and a host of other measures which fundamentally altered the condition of American life.

Address by Secretary of Agriculture Orville L. Freeman at Conference on Rural Poverty, sponsored by National Association for Community Development, Marriott Motor Inn, Twin Bridges, Arlington, Va., January 30, 1967, 10 a.m. (EST).

What we did then profoundly affected what we are today.

Now, 33 years later, we face crisis of another order -- just as acute, just as widespread as the crisis in the thirties, but with this fundamental difference: Today's crisis in rural America is a hidden crisis, largely invisible, and largely overshadowed by other, more spectacular problems at home and abroad.

Dimensions of the Crisis

The dimensions of the crisis are well known to all of you who are deeply involved in rural development. They consist of too little of everything -- jobs, income, education, and services -- in rural America, and a continuing one-way flow of people from country to city, damaging to country and city alike.

The crisis is neither simple nor easy of solution. It is complex, multi-faceted, and feeds upon itself. Less economic opportunity in rural America means fewer jobs; underemployment means a lower tax base; a lower tax base means poorer community facilities and education; crippled education and facilities bring the problem full circle by discouraging industry from locating in rural areas.

The result has been a rural America with space to spare, but starved for opportunity -- and paradoxically an urban America with opportunity for the many, but starved for space for her residents to move in, to enjoy, to breathe.

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Rural residents have roughly half the number of doctors per 100,000 people as city people; a third of the number of dentists. The amount of underemployment in rural America is equivalent to 2.5 million unemployed. 6.8 million rural homes are in need of repairs and 30,000 rural communities need improved water and sewer systems. The educational achievement rate is some two years behind that of urban America and the dropout rate is 7 percent higher than in urban areas.

The City Today

An unplanned policy of exporting rural problems to the city has drawn urban America into the rural crisis. For the affluent of the city, the unchecked migration means more crowding, higher taxes, more hours consumed in commuting as urban sprawl continues unabated. For migrants already in the teeming ghettos, further immigration means less opportunity and rising despair.

One urban observer put it this way:

"Our cities exact too much from those who live in them. They are not only increasingly expensive places in which to live or work; more and more, the price of city living is being paid by a sacrifice of fundamental personal freedoms:" The author of these words is no agrarian

fundamentalist; he is Mayor John V. Lindsay of New York City.

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The City Tomorrow

By the turn of the century, if present trends continue unchecked, Mayor Lindsay's New York will have become part of a super megalopolis stretching from present-day Boston south to Washington, D.C., and containing 56 million people. This strip city, and 4 other strips like it, will house 174 million Americans on urbanized land ranging in density from 660 to 2,600 people per square mile.

Residents of these 5 super strip cities and other urbanized areas will get up earlier, spend more time breathing their neighbors' car exhaust and return home later. Superhighways and mass transit systems will soak up increasing amounts of urban land in a frantic race to keep the city mobile. If past trends are an indication, crimes of violence will increase as urban life becomes increasingly more depersonalized and hopeless for the disadvantaged.

Nor can we count with any certainty on being rescued by technology from such a reckless concentration of people, vehicles and industry. The number of automobiles is increasing at a rate twice that of U.S. population. By the year 2000 we will have an estimated 200 million cars in the U.S. -- nearly 3 times as many as today. With this many mobile pollution sources crowded into 9 percent of the land area, even the most stringent anti-pollution ordinances will do little more than preserve the status quo, if that. Pollutants produced by industry, sewage plants and land development, will increase apace.

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This is the world we're building, simply by allowing present trends to continue to their logical conclusion -- for powerful, yet unplanned, forces are tending in the direction of even further imbalance.

Centralization Factors

1. One of these is tradition. The farm-to-city migration has been under way for a hundred years or more. Cities have traditionally offered better wages, education, community facilities, and cultural activities than rural areas. Both the city and the countryside have undergone tremendous change in recent years, and now many rural communities offer as much as the central city ... and a great deal more that the urban complex cannot offer. Yet the tug of traditional thinking is strong, both on the average citizen and on those who make the plant-location decisions.

2. A second factor encouraging centralization can be summed up as, "them as has, gits." Those areas which already have industry attract more, and this in turn attracts even more. The sprawling electronics complex in Southern California is an example. Although overcrowding, increased taxation and snarled transportation in urban areas are making rural locations increasingly attractive, the lure of established commerce still is a powerful force.

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3. A third factor is negative, but quite possibly more important than the other two combined: We lack any accepted national goal in rural/urban balance. We have never seriously asked -- let alone answered -- questions like these: "What is a desirable maximum size for any one metropolitan area?" "How much weight should be given to rural/urban balance in the location of government facilities and awarding of contracts?" "Are more Federal incentives desirable to encourage rural development? If so, how much" "What are the social costs involved in this unplanned population shift?"

In the absence of a national policy in this matter, decisions in industrial location, government installations, contract awards, and government program expenditures all tend to favor urban areas.

A continued unplanned stacking up of more people in urban areas, at the expense of rural areas, is a national drift that bodes ill for the future. No one planned it this way; like Topsy, "It just grew." Nobody really wants an America of super strip cities, dotted with explosive and squalid ghettos. It is not too much to call such a drift "national idiocy," and it does no good to offer palliatives and pills to cure a disease which has literally assumed epidemic proportions.

The New Awareness

Working against this centralizing drift, fortunately, is the flickering beginning of a national awareness of the relationship between urban and rural problems, and a growing commitment to meeting the problems in rural America, rather than exporting them.

Author J. P. Lyford, in his book on the New York slums, "The Airtight Cage," articulates this new awareness by asking:

"Why, for instance, must huge concentrations of unemployed and untrained human beings continue to pile up in financially unstable cities that no longer have the jobs, the housing, the educational opportunities, or any of the other prerequisites for a healthy and productive life? Why do we treat the consequences and ignore the causes of massive and purposeless migration to the city? Why are we not developing new uses for those rural areas that are rapidly becoming depopulated? Why do we still instinctively deal with urban and rural America as if they were separate, conflicting interests when in fact neither interest can be served independently of the other?"

The President, speaking last September in Dallastown, Pennsylvania, said:

"Not just sentiment demands that we do more to help our farms and rural communities. ... The welfare of this Nation demands it ... Must we export our youth to the cities faster than we export our crops and our livestock to market? I believe we can do something about this."

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We can:

Urban America, according to its spokesmen, can easily absorb one trillion dollars to make existing cities liveable. Certainly we should bend every effort to make them liveable. But at the same time we should devote much more to building rural America than we have done in the past, to head off even more virulent attacks of urban decay occasioned by uncontrolled growth in the future. Doing this will cost less and get better results.

Agriculture and Rural Development

Basic to any discussion of this rural development is agriculture -- because a healthy agricultural plant provides an underpinning to support the rural economy. This basic resource is in a very different position today than it was 5 years ago, or even 12 months ago:

1. Food surpluses have disappeared, and an end to surpluses in cotton and tobacco is within grasp. Our reliance now is on stored acres and improved technology to produce for need, rather than on stored commodities.

2. Farm income, both gross and net, has increased markedly. Last year gross income was the highest in history and net income was the second highest. In the 6 years since 1960, \$31.8 billion more in gross income has been pumped into the rural economy, over and above what would have been earned had 1960 levels continued.

3. Demand for agricultural products is strong and will remain so for the foreseeable future. Exports during 1966 totaled some \$6.9 billion and should surpass \$7 billion this year.

4. The free market, much praised but little used during the fifties, is now freer of government controls than it has been in decades.

5. Our commodities are moving in the world market at world prices, because of an aggressive public and private market development program and because of pricing policies designed to meet competition.

6. Of great significance is the accelerated graduation into "adequate size" class by family farms in recent years. One measure of "adequate size" is gross sales of \$10,000 a year or more. Since 1959, nearly 200,000 farm families have moved into that class.

But let me be emphatically clear at this point: Despite steady progress the last 6 years, the farmer's income still lags far behind that of other Americans.

On a per capita basis, the farmer's income is \$1,700. Other Americans average \$2,610 per capita.

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Farm prices, though up last year, have been down the last few months, and today are less than the 1947-49 average. At the same time, food costs are 35 percent higher.

This the farmer bitterly resents -- and properly so.

This discrepancy must be corrected. It must be corrected because it is unfair to the farmer and therefore wrong. It must be corrected because if farmers don't get a fair return commensurate with the other segments of society, we will lose our best farmers. If that happens the entire Nation, not just the farmer, will be hurt.

In addition, more financing and technical assistance, both public and private, should be extended to farmers presently in the "less-than-adequate" size, to allow those farmers to expand operations and to take advantage of modern technology. In other words, we should continue to keep the door open for those who wish to remain in commercial agriculture.

Yet there are many operators who do not wish to expand, or lack the capacity to, because of age, physical disability, grossly inadequate resources, or other limitations. It is critically important that there be a place for these farmers in rural America also -- for urban America has no place for him.

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Take the case of a man 45 years old whose farm has failed. The small town where he's done his modest shopping has no job for him, nor are there any within commuting range. And so, in a desperate search for work, he moves to the city.

He has no money, so he doesn't have much of a choice in housing ... he settles in the decayed heart of the city. His limited education puts him out of the running for a job. His limited skills are useless in the city ... for who needs a man to plow a straight furrow in an asphalt field?

He is one of thousands ... all disenchanted, all strangers in a strange land. Families break asunder; children are infected with the virus of the ghetto and yet another generation is crippled. This is the human cost we're talking about.

It is true that our farm commodity programs have helped the less-than-adequate farmer -- to an extent. From 1959 through 1965 the class of farmers with gross incomes below \$10,000 yearly increased their per farm net income by some 19 percent. Their off-farm income, with greater job opportunities in recent years, increased some 30 percent. Yet their earnings are far from adequate, and it is unrealistic to expect the farmer with "40 acres and a mule" to enter the mainstream of commercial agriculture.

Commodity programs are not welfare programs; they do not provide the whole answer.

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Certainly programs are necessary, and certainly they should be improved. Yet those who stake all their hopes on just one set of solutions for rural America perpetuate a cruel and dangerous illusion. Rural development must proceed on more than one track.

We can offer a place in the countryside to those who, for one reason or another, do not find a rewarding place in commercial farming, or who wish to farm part time and supplement their incomes with outside employment.

New Tools

The need for such a second track has called forth an array of Federal programs to help rural America. A partial list includes the Food and Agriculture Act of 1965, the Rural Water Systems and Sanitation Act, the Housing and Urban Development Act, the Appalachian Regional Development Act, the Manpower Training and Development Act; Elementary and Secondary Education, and the Public Works and Economic Development Act. Local rural development committees, local Resource and Conservation Districts and local leadership give us an apparatus to use these tools.

So far, we have accomplished a great deal. USDA made more rural housing loans during the past 3 years than in all the prior years since the program began in 1949. In the first 6 months of 1966 alone, grants and loans for rural sewer systems totaled \$13 million and helped 46 communities. Today, nearly 30,000 farmers are engaged in marketing recreation for profit. Since 1963, construction has begun on 256 small watershed projects — the largest number of any similar period in the 12-year history of the program.

Measured against what had gone before, accomplishment has been great. But measured against what needs to be done, it is apparent that we have only scratched the surface.

But we are making the attempt:

In my Department, the old county-by-county and agency-by-agency approach is giving way to State and county Technical Action Panels, made up of experts in many disciplines, and keyed to multi-county development. Where local leadership is aggressive and strong, the panels provide a ready source of technical aid; where it is lacking, Technical Action Panels seek to stimulate and involve local leaders in finding answers to local problems.

This new approach points up a basic change in Department thinking. Since its founding, and until very recently, the Department has been almost exclusively concerned with agriculture -- keeping its records, researching its problems, conserving its soil, and educating its constituency in scientific farming. All of these functions are still necessary and are still being performed. But in the past 6 years the Department has begun to address itself to the problems of the other rural America -- an America where poverty is ingrained, opportunity is lacking, and basic community growth facilities are sometimes nonexistent.

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These problems, which are essentially human and economic, have been approached within the existing agency framework, and it has taken some basic reorientation on the part of all of us. In 1961, for instance, nearly all Farmers Home Administration loans went to farmers. During fiscal 1967, farmers will receive about 50 percent of the FHA loans, and nonfarm rural residents 50 percent. This doesn't mean farmers are being short-changed, since the total dollar amount loaned to farmers is higher this year than in 1961. It does mean more resources and a new priority for the problems of the small farm and nonfarm people in the countryside.

Another important ingredient in rural development is a re-evaluation of the administrative machinery we need to accomplish the job.

President Johnson pointed up the problem in his State of the Union address when he said:

" ... (we) are making and breaking new ground. Some (of our programs) do not yet have the capacity to absorb well or wisely all the money that could be put into them. Administrative skills and trained manpower are just as vital to their success as dollars, and I believe these skills will come. But it will take time and patience and hard work. Success cannot be forced at a single stroke. So we must continue to strengthen the administration of every program if that success is to come -- as we know it must ... Every program will be thoroughly evaluated ... where there have been mistakes, we will try very hard to correct them."

Such an evaluation is taking place today in the Department of Agriculture, in other Federal agencies, and in many of the States!

A Rising Tide of Interest

President Johnson has a deep and abiding interest in rural development. In recent Executive Orders, including Number 11307, issued last fall, the President made this interest unmistakably clear:

1. He directed Federal agencies to coordinate their boundaries for Federally-assisted planning and development districts with existing State planning boundaries, to eliminate confusion and overlap,
2. He directed the Secretary of Agriculture and the Director of the Budget Bureau to review all existing programs with Cabinet and other Federal officials to insure that rural areas receive an equitable share of existing Federal program benefits, and to submit proposals for administrative or legislative changes needed to obtain such equity,
3. And he gave the Secretary of Agriculture responsibility within the Federal establishment for identifying agricultural and rural development problems which require the cooperation of various Federal departments, so that these programs may be better coordinated, and duplication eliminated.

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These are a few of the recent Federal actions that bear directly on the problems of rural America.

But this is a big, diverse country and Federal actions alone won't solve rural America's problems. This is a point which cannot be stated too strongly. Nobody in Washington can pre-package a cure for the ills of rural America, ship it out to the country, and expect it to work. The Federal Government has literally hundreds of programs which can work, but making them effective takes local initiative, local leadership and local planning.

We have learned that where this local leadership exists, a pipeline through which to channel our development efforts also exists. Without it, development efforts are ineffective.

We have also learned the lesson of planning on a multi-county basis. It is difficult for every single rural community to offer a full set of community services of the calibre needed for sustained growth.

But a group of counties, usually with a small or medium-sized city at its center within easy commuting range, can provide the framework needed to make Federal and State programs effective. When united for planning purposes, the people and governments of such a functional community can assess the area's needs and determine the combinations of internal and outside resources essential to spark growth.

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The multi-county approach is being taken by a number of States, including Kentucky, Iowa and Georgia, among others. The Appalachian Regional Commission and other regional groups are exploring this approach. Its effectiveness is becoming increasingly apparent.

Achievement of our development objectives will take planning, dedication, hard work, and some basic re-thinking of long-cherished folkways.

Planning is paramount. Building bigger and more sprawling strip cities can proceed without real planning; but upgrading the communities we have now -- and building new communities -- demands it.

Finally, of course, we have learned that we need to know a great deal more about rural America and its problems than we do now. To find answers to these questions, and to come up with effective solutions, President Johnson has established a Committee on Rural Poverty, which I am privileged to chair, and a National Advisory Commission on Rural Poverty, chaired by Governor Breathitt of Kentucky.

And while the Commission and Committee are seeking answers, the Department, in cooperation with other Federal Departments, the States, local government, and volunteer groups, will be pushing its own rural development programs at an ever-increasing tempo. In 1967, among other actions, we will:

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USDA 291-67

1. Provide \$33 million in Economic Opportunity loans to help 13,000 low-income families and some 390 cooperatives composed of low-income families.

2. Provide \$435 million in rural housing loans for 48,000 families.

3. Help finance about 200 community recreation centers in rural areas.

4. Finance \$304 million in loans and grants for construction or improvement of some 1,700 central water and waste disposal systems in rural areas.

5. Assist 10 additional local groups with Resource Conservation and Development projects.

6. Approve construction of another 63 multiple purpose small watershed projects with 45 reservoirs.

7. Help 8,500 additional rural land owners with income-producing recreational developments involving 150,000 acres of land.

8. Supervise harvest of another 12½ billion board feet of National Forest timber, providing 700,000 man years of employment, sharing \$40 million of revenue with local governments for roads and schools.

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9. Reforest 280,000 acres of timber lands, improve timber stands on another 440,000 acres, and build another 295 recreation sites in the National Forests.

The Matter of Choice

What we in rural development are all fundamentally concerned with, it seems to me, is the matter of choice -- of offering alternatives to ever-larger cities in the future. President Johnson put it this way:

"History records a long hard struggle to establish man's right to go where he pleases and live where he chooses. It took many centuries -- and many bloody revolutions -- to break the chains that bound him to a particular plot of land, or confined him within the walls of a particular community.

"We lost that freedom when our children are obliged to live someplace else ... if they want a job or if they want a decent education.

"Not just sentiment demands that we do more to help our farms and rural communities ... the welfare of this Nation demands it."

I believe that we can choose what kind of an America our children will inherit 33 years from now, for we are not the blind pawns of Fate, but rather the shapers of our own destiny.

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I believe that we as a nation should grasp this chance to shape our destiny -- grasp it here and now, without further delay -- before the chance for choice eludes us.

Thank you.

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AGRICULTURE/2000: RESOURCES

My message today, "Agriculture/2000: Resources," is the third in a series exploring what rural America will be like at the turn of the century, just 33 years from today.

In Tulsa, Oklahoma, in mid-January I spoke of commercial agriculture's role in the years ahead. Last week, speaking to the National Association for Community Development, I explored the rural communities of tomorrow. Today our subject is the resource and conservation challenge of the remainder of this century and the next.

It is fitting that we examine this subject together. No organization has done more to enhance the resource base of this country than the National Association of Soil and Water Conservation Districts. The whole thrust of NASCD's efforts these past 23 years has been a better future for all America through conservation and development practices.

1967 is a good year to take a long-range look at "Resources/ 2000," for we are at a point in time equidistant from 1934, which marked the first full year of operation of what is now the Soil Conservation Service, and the dawn of the 21st Century.

It has been said that we view the future "through a glass, darkly." Yet we can predict with some accuracy the major outlines of the year 2000.

Remarks prepared for delivery by Secretary of Agriculture Orville L. Freeman at the National Association of Soil and Water Conservation Districts, Sheraton-Gibson Hotel, Cincinnati, Ohio, Monday, February 6, 1967 at 11:00 A.M., CST.

* By the dawn of the next century, we shall have become a nation of 300 million Americans, having added to our present population the equivalent of the total populations of 10 New York Cities or 54 Washington, D. C.'s.

* In the year 2000 these Americans will exist on the same number of square miles -- some 3.4 million -- as today. The same amount of fresh water will fall from the skies then as now, but we shall need twice as much water. We shall be fed from the same thin layer of topsoil that feeds us today, but need one third more food.

* It will be a richer America, in dollars, than today. With the gross national product rising an average of \$250 per person every year, the industrial and commercial output alone will top one trillion dollars in 2000.

* Americans will be earning more -- but working 1/3 fewer hours. The demand for outdoor recreation will have increased three times over 1967 levels.

* Land use will be more intensive than today. Housing for another 100 million Americans will be built; roads for three times the number of automobiles as today will have been built; space to dispose of another million tons of solid waste every year will have been found.

This face of the future we can predict with some certainty because quantity is always easier to measure than quality. But what of the quality of American life in the next century? Here the glass darkens, and split-images appear.

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One image reflects an almost completely-urbanized America, with 240 million people crowded into nine percent of the continental land mass in huge, sprawling, ant-hill cities. Prophets of this America see five giant strip cities housing three out of every five people in urban areas more densely populated than present-day Japan. Water will be dirtier, they say, air more full of smog, and for most Americans the solitude of open spaces will have vanished beneath the blades of the conquering bulldozer.

This particular view of the future has wide currency. And it will happen, if nothing is done to alter present pollution trends, migration trends, resource inputs, and land use policies.

But this is not the only image in the mirror. Other spokesmen -- not many so far, but a steadily growing number -- envision an entirely different America. Nothing is fixed about the future, they say. Rather the future is what we make it -- for we are not the blind pawns of fate, but rather the masters of our own destiny. These prophets share the belief of that perceptive French visitor to our shores, Alexis de Tocqueville, who in 1830 observed: "...in the (American's) eyes what is not yet done is only what he has not yet attempted to do."

What kind of an America do these more optimistic prophets see?
Thirty-three years in the future they see --

-- A land of 300 million Americans living in less congestion than 200 million live in today.

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-- A countryside, USA, dotted by new towns and growing rural communities where the benefits of community life are matched by the rich beauty of the countryside.

-- They see an agriculture fully sharing in the national prosperity -- with full parity of income an accomplished fact.

-- They see urban centers free of smog and blight, with ample parklands within easy reach of all.

-- They see a land free from devastating floods, clear rivers scrubbed of pollution and silt, and sparkling air.

-- And they see new industry and factories dotting rural America, providing the necessary economic underpinnings for the good life in the country.

This is the kind of America/2000 I believe in. It is the kind you believe in, too, for every program of the National Association of Soil and Water Conservation Districts is pointed toward building this kind of America.

This is your policy. You believe that a constructive conservation and resource policy is the key to building this kind of America. And you know that such a policy is greater than just the sum of its component physical parts -- water, air, and soil -- that at the center of such a policy is man himself.

This basic objective is carried out in different ways. In forest management it means constant reforestation for sustained yields.

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In soil conservation it means preventive and restoration measures for continued fertility of the soil. In Wilderness Areas it means stewardship of a particular geographic area so that more than one generation may see and use it. But it means use, in all three cases. For man and his ecology are one and inseparable.

There is nothing new about this concept. Gifford Pinchot, USDA's first Forest Service chief, realized this when he wrote, over half a century ago:

"From birth to death, natural resources, transformed for human use, feed, clothe, shelter, and transport us. Upon them we depend for every material necessity, comfort, convenience, and protection in our lives. Without abundant resources, prosperity is out of reach. Therefore the conservation of natural resources is the fundamental material problem."

I quote Pinchot for two reasons. The first is to illustrate that the U. S. Department of Agriculture has been in the conservation business for a long time, that its program and responsibilities are much broader than agricultural commodity programs alone (important as these are). Second, and more important, however, is this. Conservationists -- and I think everyone in this room is one -- are often criticized for (quote) -- "putting birds and bees ahead of people." (Unquote.)

No statement could be more specious. Conservation is people. Conservation is a material problem. But it goes way beyond that. The Bible says, "What is a man profited, if he shall gain the whole world, and lose his own soul?" We could well ask, "What profit it us, the richest nation on earth, if our own people have no open space to enjoy, no woods for our children to roam in, nothing within driving distance except subdivisions, concrete and No Trespassing signs?" This is what conservation is all about.

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Pinchot realized this, and you realize it, but many remain unconvinced. One of our biggest jobs, it seems to me, to build the kind of U.S. we want in the year 2000, is to convince the public that conservation is one of the most important, if not the most important dollars-and-cents issues facing us today. And to become convincing advocates, we first have to understand how we got where we are today.

The conservation movement developed in three great waves, each building upon the flow of the one going before it; each cresting in reaction to widely prevalent abuses of the environment; and each separated by an ebb of public indifference and inaction.

Very roughly, the three great waves can be categorized as follows: 1. 1890-1912, the Gifford Pinchot - Theodore Roosevelt era; 2. 1933-1940, the Hugh Bennett - FDR era; and 3. The present.

1. The first great wave began to roll in, in the late 1890's with the establishment of forest reserves from what remained of the public domain. This system evolved into our present National Forest system.

It was an era of great men. John Muir, Gifford Pinchot, and others led a tide of public outrage against exploiters of the public domain, and Theodore Roosevelt, by executive order, established a system of National Forests administered by the Department of Agriculture. He named Gifford Pinchot as the first Chief of the U.S. Forest Service.

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Assignment of the Forest Service to the Department of Agriculture was significant. In making it, Roosevelt said,

"In the Department all problems relating to growth from the soil are already gathered ... and all the sciences auxiliary to forestry are at hand for prompt and effective cooperation."

Up until this time, except for isolated instances, the treatment of forests had been similar to that of the mines. The objective was simply to mine timber from the earth in the same manner gold or silver was mined. The concept of timber as a renewable resource was foreign to most people.

Pinchot and Roosevelt made the principle a reality, and today it is widely accepted by both public and private timber management.

The first wave also established the principle of multiple use, which can be stated as follows: The same National Forest which yields timber for human use, can also provide recreation for human use. Moreover, it can graze cattle, sustain mining, and serve as a water collector and water protector for the use of people living downstream.

All of this may seem self-evident now, in 1967, but it was a radical idea for its time, and it spawned bitter opposition.

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After Pinchot and Theodore Roosevelt left the national scene an ebb-tide set in. But in the thirties, a second great conservation wave crested in response to yet another crisis. The very earth of the Great Plains was vanishing in devastating duststorms, and destructive floods in the Midwest scoured the rich heartland of America. These events were compounded by a crippling depression.

The second crusade gave birth to the Soil Conservation Service, with another great conservationist, Hugh Hammond Bennett, as its spokesman.

Bennett's policy was to develop techniques which the private landowner could apply to insure that his soil and water worked in harmony to produce for mankind.

President Franklin Roosevelt, realizing that three-fourths of the Nation's land was in private hands; that most of the soil conservation work could only be done by farmers themselves; and that conservation was an integral part -- could not be separated from -- farming, assigned the fledging agency to the Department of Agriculture.

The soil conservation movement flourished and has made steady progress since, firmly supported all the way by the NASCD. Today there are 3,000 local soil conservation districts. Of these, 2,400 have signed modernized working agreements. In 14 States, all districts are updated. Last year, three-fourths of the small watershed work plans completed were multi-purpose, including recreation, wildlife habitat, or municipal water benefits, as well as flood prevention.

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But the broader conservation movement, of which soil conservation was a part, moved from stage center in the national arena to the wings under the impact of World War II and Cold War problems.

Yet during the ebb of two decades of inattention a third conservation wave was building and today is at the flood.

The crisis this time is equally severe and far more widespread than the two that preceded it. It affects a nation of 200 million Americans today, compared with 90 million in Pinchot's time, and 125 million in the thirties.

A similarity exists between this era and the preceding two. Again, we are faced with an abuse of natural resources. But there are also these deep, fundamental differences:

1. Whereas the first conservation wave concerned itself primarily with forests, and the second with soil and water, response to the present crisis must concern itself with the totality of man's environment: soil, air, water, open space to move in.

2. Whereas the first two crises were concerned with repairing the damages of a rampaging nature disturbed by man, the third is concerned with restoring and preserving an environment on its way to being destroyed by man himself; by his pollutants, his land use practices.

3. Effects of the first two crises were limited geographically and to certain segments of the population. Today's crisis is continental in scope and omnipresent in its intrusion into every American's daily life.

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It is, in short, a "people" crisis. Other nations have known the cutting edge of population pressure on available resources for centuries. It is new to us, and we are bewildered. It is not a case here, as it is in India, of a shortage of resources to sustain life itself; rather it is a case of a misuse of the resources that make life worthwhile -- a shortage of available open space, an excess of pollution, a piling up of too many people in too little urban space.

This is new to a frontier people who, for 300 years of their history had what Bernard DeVoto called "an internal, domestic empire" in the Great West, and space to spare elsewhere.

There is no shortage of specific examples to illustrate the people/resources problem:

-- Today a majority of Americans, urban and rural alike, in all sections of the country, live near polluted waters. Every major river system is polluted. Fifty-four percent of all Americans described nearby waters as "severely polluted."

-- Today a majority of Americans are breathing polluted air. Air in every single urban area in the United States is polluted. So is air in many rural areas, and in some, smog is doing more damage than even insects to crops.

-- Open space for picnicking, camping and solitude -- for the 70 percent of our population living in urban areas -- is fast disappearing anywhere within easy driving range.

Today's Americans, unlike any people who went before them, are living in a new environment dominated by technology, rather than by nature.

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This new environment and the conservation crisis it has precipitated is one of the most serious domestic problems we face. But there is more cause for hope than despair. Paradoxically, because the crisis is touching almost every American -- from fathers looking for fishing spots, to small boys looking for a patch of woods to play in -- the public response to this crisis is more broadly based than ever before.

Examples of this response are all around us. At last count, five states had passed laws to preserve open space and to alleviate urban sprawl. Kentucky has just passed stiff legislation to help curb the ravages of strip mining. The conservation wave is again at flood tide and government is responding.

On the national level, the last two sessions of Congress passed more conservation, anti-pollution and natural beauty measures than any other session in history. There was Highway Beautification, the Land and Water Conservation Fund, the Water Pollution Control Act, the Clean Air Act Amendments, Amendments to P.L. 566, and authorization for Resource Conservation and Development.

Laws aren't everything, of course. The laws of the 1900's and the 1930's would not have succeeded without the wise administration of two great conservationist Presidents.

But a third great conservationist President is in the White House today, and his First Lady is the nation's leading advocate of natural beauty. Like the two Roosevelts, President Johnson is focusing

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the national attention on conservation, because he believes in it and because he understands it. The depth of his understanding is apparent in this statement:

"Our conservation must be not just the classic conservation of protection and development, but a creative conservation of restoration and innovation. Its concern is not with nature alone, but with the total relationship between man and the world around him. Its object is not just man's welfare, but the dignity of man's spirit."

So now, with all these things going for us -- broad based public support, new legislation, and strong Presidential concern -- the central question as we look to the America/2000 we want is not -- "Can it be done?" -- but rather, "How can it be done?"

Specifically, we must now turn our attention to these four broad areas in order to reach our goals: 1. Quantity of Effort. 2. Broadened Concepts of Multiple Use. 3. Planned Land Use Policy and 4. Preservation.

1. Quantity of Effort: At the time President Kennedy took office in 1961, he inherited a federal budget of roughly \$2.4 billion for conservation and natural resource measures. President Johnson's 1968 budget calls for \$3.9 billion, more than a 60 percent increase! All this took place in six short years, and I don't have to tell anyone in this audience what these extra conservation dollars have accomplished.

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Yet as a nation, we must be prepared to devote much more to conservation and resource development than we are now investing. American voters will make decisions on this question on each of the 16 national election days between now and the year 2000. Washington can't make that decision, only the nation can. On it will depend how many acres of forests and parks and wilderness we have, how many more National Recreation Areas we establish, how many more multi-use watershed projects are constructed.

But quantity alone is not enough. We also need --

2. Broadened Concepts of Multiple Use: Multiple-use has been a Department of Agriculture policy for more than half a century. It is a well-accepted practice in forestry management and just last year was applied to the 8 new National Recreation Areas. Multiple use, today, is an integral part of watershed development. And more and more farmers are diversifying use of their land. Many are getting help from USDA in establishing recreation for profit and pleasure on private lands.

Another 100 million Americans in the year 2000 means greatly-increased single purpose land use for housing, highways, and industry. The remaining land will have to serve more than just one use to provide the open spaces and recreational areas 300 million Americans will demand.

To do this will take new concepts in zoning, perhaps providing for farm land on the urban fringe; it will take new and expanded programs like those of the Agricultural Stabilization and Conservation Service, Soil Conservation Service, and Farmers Home Administration, already successful, in a modest way, in providing new recreation opportunity.

Let me make this point clear. I'm not talking about taking private land away from people. What I am saying is that our traditional single-purpose use of most of our lands isn't enough for the 21st century. If we are to live in and enjoy the kind of United States I spoke of earlier, we must fully utilize every acre of land.

Implicit in this concept is --

3. A Planned Land Use Policy: Soil Conservation Service estimates we have some 682 million acres of land in the contiguous 48 states suitable for cultivation. This land feeds us now, and it will have to feed us in the year 2000. Planning to preserve this prime farm land is of the utmost importance, simply because feeding our people is land's most important use -- we can't exist without food.

But what are we doing? Every day, we're losing thousands of acres of this prime farm land to subdivisions, highways, airports. We're burying it under concrete or houses, and it can't be jackhammered clear again.

But more is involved than just farm land. We're also burying land needed for recreation and open space, pushing these open spaces further and further out of the reach of most people.

And so we need a sound land policy, one which sorts out the lands best suited for recreational needs, agriculture, commerce, housing and highways; a policy which establishes priorities and makes the best use of a fixed limited natural resource.

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Such a policy means building highways on unproductive land, rather than across rich topsoil. It means opportunity for local communities to identify land needed for future recreation, and a way to finance the land now, before urban land costs have doubled again, as they did in the last decade.

Such a policy requires information of the type now being gathered in the USDA's Land Use Inventory, but on a much greater scale, and in much more detail.

This concept of planned land use incorporates two elements. The first is use -- deciding the best use to make of our land. The second is preservation -- preserving land suitable for crops, open space, recreation. Which brings me to our final point --

4. Preservation: The National Forest Wilderness Areas illustrate this concept in its classic sense of preserving a resource in its primeval state for human use -- in this case, for people to hike, camp and boat free from the works of man. I believe in this kind of preservation and have added some two million acres of wilderness to the system, by executive order, while I have been Secretary of Agriculture.

But this isn't the only kind of preservation we need. In a somewhat different, and larger sense, preservation means "preventative conservation."

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The Department's Research Service is applying it as we discover methods to practice the more intensive farming we will need in years ahead -- which means more fertilizers and chemicals -- without damaging man's ecology. This brand of preventative conservation consists of careful testing of pesticides and herbicides before they go into use, careful regulation and education in application, monitoring effects on the environment, and research to discover non-chemical methods to control pests.

This principle of preventative conservation needs to be applied promptly to all forms of air, water, and soil pollution at the source.

In the long run, this kind of preventative conservation is much less expensive than restorative conservation. More important, some ecologies, once destroyed by man, can never be brought back, no matter what we do. All our billions, all our technology, can never bring back the tons of top soil from the Gulf of Mexico to the American heartland. Nor can we ever bring back a single acre of wilderness, once it is destroyed.

We are a nation bedazzled by technology, and addicted to crash programs. But there are no instant ecologies or instant forests. And so, in the final analysis, we must devote much more attention in the future to assessing each new technological development for its ultimate impact on man. I hope it is never said of this generation, as Stephen Vincent Benét said of another...

"They thought, because they had power, they had wisdom also."

And finally, let me say this:

What we have discussed today is not a dream. It can be a reality. We are talking about the kind of America that President Johnson envisioned when he said:

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"...here in America, we started out to do more than simply endure. We intended to live as man should live, working hard, raising families, learning, building -- and breathing clean air, swimming in clean streams, finding a part of the forest or shore where nobody else was.

"If we are to have that America, we shall have to master the consequences of our own prosperity -- and the time to begin is now."

Let us begin, and let us persevere, so that we may build the America we want, and we need, in the year 2000.

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Most of you, I'm sure, sense the same disturbing paradox I sense whenever I enjoy a meal such as this, in surroundings as pleasant as this.

Half the people in this world of more than 3 billion souls have never had a satisfying, fully nutritious meal.

This, I know everyone here agrees, is a sad commentary on civilization in this soon-to-be 21st Century.

To be sure, this is nothing new. Such has been the case throughout history. What is new is the fact that it need no longer be the case. Today, for the first time in history, we have the scientific and technological knowledge and techniques to banish hunger from the earth.

The big question is not whether we can mobilize and use this ... but will we?

I believe we will. I believe this because conferences such as this are being held. I believe it because all of you and many more around the world are dedicated to this cause. I believe it because the President of the United States recently made another ringing declaration of War on Hunger ... and because, under his leadership, we are beginning to mobilize the weapons to win that war here at home and around the world.

I brought with me today two powerful and perceptive messages to the Congress from the President of the United States.

Address by Secretary of Agriculture Orville L. Freeman to the International Development Conference, International Inn, Washington, D. C., 12:30 p.m. (EST), February 7, 1967.

Last February, President Johnson delivered a powerful and significant Food for Freedom message. On Wednesday of last week, he followed this up with an inspiring call to action, a call directed to the entire world as much as it was to India, the Congress, and the American people.

I urge you to study these messages carefully ... and to use them. They can be potent incentives in recruiting troops and supplies and material for the War on Hunger.

Let me take a few minutes to review these messages with you. Then -- consistent with the special theme of this occasion -- permit me to examine briefly what cooperatives have done and can do in winning this crucial war.

First of all, both Presidential messages emphasize the dimensions of the world food problem.

Moreover, the President also made the crucial nature of this problem dramatically clear in his recent State of the Union message when he declared:

"Next to the pursuit of peace, the really great challenge to the human family is the race between food supply and population increase. That race tonight is being lost."

It is being lost. And it will be lost unless we mobilize every tool, technique, and talent -- in the developing as well as the developed world -- to reverse the trend and win that race.

All of you, I'm sure, are familiar with the basic causes of the world food problem.

World food production is not keeping pace with the exploding demand for

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food triggered by population expansion and rising levels of consumer income.

While world population is increasing by more than a million people a week ... world food output per capita is steadily falling behind.

Adding to the food-population crisis is the grim fact that the population explosion is taking place, for the most part, in the very developing countries least able to cope with it.

These nations are increasing their population by some 3 percent a year. Their population will double within a generation ... and multiply 18 times within a century ... unless effective control measures are instituted now.

Sheer growth in numbers of people constitutes the major cause of the exploding demand for food. But there is another. Expectations and incomes are rising at the same time -- not only in the rich nations, but also in many of the poorer countries.

This combination of factors has created a demand which the world's farmers currently are failing to meet. For the past six years the world's people have been eating more than the world's farmers were producing.

The margin was provided by surplus stocks of grain built up in the preceding eight years. But since 1961 stocks have declined about 14 million tons a year, and today there are no real surpluses of any major commodity in the world. The world has chewed up its surpluses.

In the U.S. surpluses are gone ... today we have no more than working reserves.

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In a new effort to meet rising demand, we are bringing back into production about half the land that was idled during the surplus period.

Conceivably, we could open the flood gates of total American food production and send additional shiploads of food aid abroad. There are two reasons, however, why this is not practical. In the first place, immediate return to full production would glut the market beyond effective immediate demand. This, in turn, would hurt our farmers and our whole economy. We have learned the hard way that surpluses depress farm prices and reduce farm income.

In the second place, all-out production still would provide only temporary easing of the world food problem. The hard fact is that all of the production of all of the acres of all the developed nations will not be able to meet world food needs much longer. In the next 15 years, the world will add another billion people. Even doing our best, we could feed only part of them.

Most of these people eventually will have to feed themselves in order to survive. This is the paramount, overriding fact which inspired President Johnson's Food for Freedom program.

This program, under which we combine food assistance with development assistance, not only asks -- but expects -- recipient countries to do more, much more, in their own behalf.

Incentive is built into the program for a purpose. Food for Freedom clearly states that as we help combat hunger and malnutrition and encourage economic development, we will give particular attention to those countries demonstrating a determination to improve themselves. Self-help is the key to winning the war on hunger.

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But the U.S. cannot do the job alone. And this was the thrust of the President's message on India last week. He made it clear that the first obligation of the entire community of man is to provide food for all of its members ... that no single nation could be expected to do it alone.

He pointed the way to a sustained international effort. And he made recommendations that went beyond the perimeters of the immediate Indian crisis. He said we shall continue to press for appropriate action on multilateral fronts to meet the challenge of the War on Hunger. He said we shall continue to encourage private capital and technology in this effort. He said we shall press for the early creation of the guarantee fund to encourage private investment in the agricultural industries of developing nations. And he said we stand ready to implement the application of science to the problems of food production.

But none of these steps, he concluded, can be as important as the very first requirement -- a national will on the part of the hungry nations to help themselves.

In this way, the President challenged the American people, the developed nations, and the developing nations, themselves, to march together in the War on Hunger. It will be a tough war ... a grim war. But increasing awareness of the magnitude of the problem, and continuing advances in the knowledge needed to bring forth two and three times more yield from the same land, give us reason for hope ... and even cautious optimism.

There really is no convincing reason why the developing countries cannot increase their food and fiber production to required capacity and have enough to spare, in the years to come, to contribute -- through trade and non-trade employment -- to general economic development.

The challenge, then, is more than the physical capacity to produce food;
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it becomes an institutional one as well. How can we develop the pattern of relationships and social and economic institutions that will make it possible to apply in growing measure the technical and scientific skills we have today? Studies and research involving social and economic factors, political relationships and administrative organizations as they affect agricultural development are fully as important as scientific studies of plants, animals and soils. If we can learn more about what kinds of policies and programs make for greatest success under varying conditions, we can progress more rapidly toward our goal.

Here is where cooperatives come into the picture, for they are, first of all, economic institutions built by people to improve their own economic circumstances.

But they are much more. They are bound with the very fibers needed to weave stronger social and governmental structures. These fibers are:

- * Democratic organization -- growing out of member control.

- * Leadership -- emerging from the opportunities and responsibilities members and directors must assume for sound cooperative operation.

- * Self-reliance -- built out of the opportunity to do things for themselves as well as from the experience of doing them.

These elements, vital to any effective association of free and independent men, are translatable from cooperatives to the task of building stronger, freer countries.

Cooperatives have another thing going for them in these countries.

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They are warmly accepted by any freedom-loving people. They form a bond between cooperatives in developed and developing nations ... and a bridge over which social and economic benefits can pass.

Cooperatives also have a common ancestry throughout the world. They were fathered to solve an urgent problem ... and meet an urgent need.

We sometimes grow a little smug about where we are today with our U.S. cooperatives. We forget what it was like earlier in this century as rural people began to build their own cooperative structures -- often by trial and error and bitter experience.

Co-ops had to win a place for themselves in Government and in society. It was just 50 years ago -- in 1917 -- that the forerunner of our cooperative credit system began with the start of the first Federal Land Bank. And it was not until 1922 that the Capper-Volstead Act made clear the rights of farmers to organize into cooperatives. Four years later, the Cooperative Marketing Act made it official that the USDA provide specific help to cooperatives -- help still being provided 40 years later through the Farmer Cooperative Service.

Cooperative efforts overseas have a far briefer history.

As recently as 1961, not a single person or a specific office had an official assignment to work with cooperatives under the Federal Government's foreign assistance program. Today, the Agency for International Development in the State Department has a special International Cooperative Development Service that spearheads developing co-ops in more than 50 countries.

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There are 10 organizations with major AID contracts to help generate overseas co-op development -- the organizations represented in the sponsorship of this conference. The Department of Agriculture, other government agencies, and many colleges and universities also have people hard at work developing cooperatives in the far reaches of the world.

We here today know that it was the Humphrey Amendment to the Foreign Assistance Act that brought on this rapid rise in cooperative emphasis. This measure often has been called the official key that opened the door to helping the developing nations build cooperative institutions.

It was the voice of Vice President Hubert H. Humphrey, then Senator from Minnesota, that called for the adoption of this amendment. He urged a new emphasis of cooperatives in AID's organizational structure, saying -- "People's groups, working together through cooperatives, can be seed centers which will nourish and support democratic government."

The Humphrey Amendment is a mandate from Congress calling for the use of the resources of cooperatives, credit unions, savings and loan associations, in our foreign assistance programs. Its purpose is to develop similar institutions and stimulate democratic processes in the developing countries.

Under the terms of the Humphrey Amendment, people who know and helped build our own cooperatives are working overseas to involve communities and groups of people in:

* Expanding agricultural credit to small farmers.

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- * Extending electricity to rural areas.

- * Organizing and operating marketing and purchasing cooperatives.

- * Starting housing cooperatives.

- * Unraveling tangled laws.

- * Carrying on educational work with leaders and members.

AID reports that it has been or is involved in one way or another with 40,000 cooperatives that have 16 million family members ... and that it has committed about \$50 million for technical help.

This cooperative program is helping people in economically barren lands build for themselves a basic, self-help institutional pattern, and from this pattern they are casting the dies for their future.

The partnership of U.S. cooperatives and Government with leadership in the developing countries is helping give hope to both the yearning and the hungering half of the human race.

But cooperatives also help develop the physical resources needed to put food in the mouths of the hungry. Seeing how it is done in this country provides ideas which others can then apply in their own lands.

In our country, many of our early co-ops started so farmers could obtain better seeds and proper fertilizer, two basic steps in multiplying yields.

And many of the early U.S. cooperatives built the marketing bridge from the farm to the consumer with a two-way benefit -- a place for the farmer to sell if he produced more, and food for the consumer at the place where he

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could buy it.

Farmers in this country have found ways to obtain the capital they need to produce their great abundance. Among these, is the cooperative credit system. Bonds sold through this system draw on the nation's money markets for money to lend to farmers and to their cooperatives.

Concepts and ideas on this order were pioneered overseas by some of the co-op groups sponsoring this conference even before the official Congressional blessing of the Humphrey Amendment.

The work of the Cooperative League in India during the 1950's is but one example. The League's men pioneered the importing of their co-op experience to cooperatives in developing countries. CUNA International long has shared its experience with the people of other countries as they develop their own credit unions.

President Johnson has referred to cooperatives as islands of economic hope. The partnership under the Humphrey Amendment seeks to bring to the other half of the world -- the hungry and yearning half -- the hard-won experience of U.S. cooperative leadership in order to multiply those islands.

This is a real, working partnership; one in which the Department is proud to participate with AID and the cooperatives. Rumors of bureaucratic jurisdictional struggles have a discouraging way of popping up in news columns, while "good news" stories, stories that report solid, effective inter-agency or inter-departmental relations and cooperation frequently go unnoticed.

(more)

I'm thinking now of one such story -- the story of how excellent working relations have combined resources and talents across the government to reach a common objective in the cooperative development program.

As one example, USDA provides the meeting place for a monthly luncheon for AID representatives, cooperative contractors, its own staff, and others involved in cooperative activity. This luncheon affords an excellent opportunity to exchange ideas and develop closer coordination.

AID and the Department of Agriculture together work out programs and plans to help people in developing nations use cooperatives to build their economies. AID then provides the financing to help us send trained men overseas from the USDA, from the Land Grant colleges, and from the co-ops themselves.

We now have many such cooperative-trained people at work abroad, and soon we'll have even more, particularly in Vietnam and other crisis areas.

Let me give you an example of how we approach this part of our job. Farmer Cooperative Service, the USDA agency with a 40-year history of research and education in cooperatives, now has six men in Brazil and Paraguay, and more soon to go. One of their big jobs is to help train the co-op leaders in these countries so that they, in turn, can train others. Plans are now well along to open two training schools for cooperative management people in Brazil.

Our cooperative advisor in Paraguay, working with the Ministry of Agriculture, has helped develop a poultry cooperative and a dairy cooperative in Asuncion, the capital city of that country.

Recently, these two cooperatives agreed to establish a jointly owned

(more)

feed mill. Each, working through our FCS representatives in Paraguay, is sending two representatives to the United States for special training in feed manufacturing. FCS is helping to develop this training program. When these men return to their country, our representative there will work with them to establish a sound, efficient mill operation.

The Department of Agriculture provides backup help, educational materials, and special assistance of many kinds for its own staff and for other cooperative specialists overseas. Many U.S. cooperative contractors draw on the Department for information.

Each year we welcome to the Department hundreds of people from overseas who come here to learn about cooperatives. Last year there were more than a thousand. The Farmer Cooperative Service worked with more than 700 of these people, and the Rural Electrification Administration with 300. We also helped them to schedule visits with U.S. cooperative people who counseled with them about co-ops and co-op programs.

Many of these people go to the International Cooperative Training Center in Madison, Wisconsin, to get intensive training in cooperatives.

We all know cooperatives have done great things for the United States. And we all are encouraged that strong beginnings have been made in the less developed areas of the world.

But these are but beginnings. Now it is up to us to give vigorous and determined help to these early-stage cooperatives if their members are to accomplish in 15 years what it took us 100 years to do. For 15 years, we must

(more)

remember, may be all the margin we have in which to turn the tide in the War on Hunger.

Thus, we can't waste our resources. We can't waste our people. We can't waste our time. We must move swiftly, for we have much to accomplish in too few years.

It is timely, then, to ask ourselves some hard questions.

Can cooperatives really act as an institutional bridge between Government agencies in developing countries and the farmers?

Will the governments need to work down from their own structure in some areas, using a kind of "prefabricated cooperative pattern" which will drop local co-ops into desired places?

Since lack of capital is one of the biggest problems in developing countries, where will the money come from to do these things?

Where do you find the people to run the co-ops? And if you can find them, how do you train them?

Do we have men knowledgeable in cooperatives located in strategic places in the developing countries?

Do we have co-op specialists in our embassies abroad?

These, I think, are some of the questions we should be asking.

And, along with these questions, we should be asking if our efforts

(more)

overseas have measured up to the high hopes of the Humphrey Amendment. Have we done all we can? Have we used our funds wisely?

It occurs to me that -- without pausing in our efforts to use cooperatives, credit unions, and other private, voluntary organizations to help people overseas live better lives -- this fifth anniversary of the Humphrey Amendment is an appropriate time to assess our progress thus far.

But such an assessment, I would think really should include the views of the domestic leaders of these self-help ventures -- the leaders of the new cooperatives in Africa, Latin America, and southeast Asia. And it should include the views of others, who, just as we, are engaged in technical assistance to these developing nations -- the leaders of cooperatives in Sweden, Denmark, Switzerland, the Netherlands, and Japan.

I suggest to you then, that you consider the possibility of an international conference to explore fully, and assess fairly, the efforts to raise the living standards of two billion people overseas through private voluntary organizations modeled after the credit unions, cooperatives, and savings and loan associations of our own and other developed nations.

This anniversary is an appropriate time to look forward to such a session.

As the race between people and food production reaches the far turn in the next few years, the developed nations will have to invest more talent, more technology, and more hard cash if this crucial race we are all engaged in is to be won.

Let us never forget that governments alone cannot win it.

(more)

President Johnson made this clear last week when he said:

"The War on Hunger is too big for governments alone. Victory cannot come unless businessmen, universities, foundations, voluntary agencies, and cooperatives join the battle."

There is our challenge. Cooperatives have a most important part to play in meeting it.

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Statement of
The Secretary of Agriculture, Orville L. Freeman
before the
House Committee on Agriculture
10:15 a.m., February 8, 1967

My testimony today takes a somewhat different approach from that of earlier years. It seemed to me that the most useful information I could bring to all of you, but especially the new members, at this time would be a summary of the overall organization, the policies, and the program goals of the United States Department of Agriculture. Knowledgeable senior members know this, but even they might benefit from a quick review.

First of all, I would direct your attention to an organizational chart of the Department. In a moment I shall go over it with you in some detail. Then we shall proceed to other charts that I have brought along today so I can present my testimony in the most graphic manner possible.

Back in 1862, when your predecessors in the Congress established a Cabinet post for agriculture, President Lincoln called his new agency, "The People's Department."

Over the intervening years -- while serving as a people's department -- we have become increasingly mission-oriented. More and more, we try to coordinate and integrate this great Department from a functional perspective tied to our goals or missions. We budget our financial resources according to the departmentalized picture you see on this first chart, but in achieving our objectives -- in carrying forward the respective programs to reach our goals -- we frequently obliterate agency lines.

(more)

Let me cite an example. Maintaining and increasing farm income is a primary goal of the USDA. But no single agency performs all the tasks contributing to that objective. Obviously, the Agricultural Stabilization and Conservation Service plays an important role through the commodity programs that it administers. But so do the agencies of research and soil conservation and the Farmers Home Administration loan programs. Meat inspection is important, too. This is a vital service employing 4,277 persons, costing about \$50 million, and inspecting 50 billion pounds of meat yearly. An effective inspection service affects farm income very importantly.

The point I want to make is that if we are to give the best service, we must keep our eye on the goal we want to reach and draw upon all personnel and resources, throughout the entire Department, to reach it. We must be careful not to get pressed into narrow organizational compartments, but rather to pool our resources across agency lines so that we can move toward our targets and goals as efficiently and expeditiously as possible.

I have been trying -- I am trying -- to identify our overall Department goals so the public will understand what the USDA really does ... and so the people in our own Department (and this is extremely important) will identify with them. Only in this way will the public understand and use these services, and will our employees, regardless of how humble their work, feel they are a part of these efforts.

(more)

I am in the process of trying to further this objective by making six major addresses setting out Department policy. In them, I am enunciating the six primary missions and goals of the U. S. Department of Agriculture under the title, "Agriculture/2000."

At first blush, the year 2000 seems eons away. But it is not. In this era of lightning change it is incumbent upon us to think 33 years ahead and to plan accordingly. Actually, we are midway between the first years of the New Deal and the turn of the 21st century. I am sure the Chairman, for one, well remembers the agricultural acts of the early '30s. It is entirely likely that one of you newer members, sitting here today, will be in the chair at the head of this table when the new century arrives.

I have asked myself what agriculture will be like in the year 2000 ... what conservation will be like, and communications, and research, and even life itself. What can we do today to contribute to the kind of United States that we hope to leave to our children in the 21st century?

Let me summarize, then, my objectives as I seek to define USDA goals in these early weeks of 1967:

1. To reach the good people of the Department of Agriculture ... to make them feel that all of them have an important part to play in reaching our goals.

2. To inform the public so that they may understand the extent and magnitude and purpose of what we are trying to do.

(more)

(If you could read some of the 600,000 letters that Americans write to us every year, I think you would be surprised at how many people are confused about our role in U.S. life. We try to answer those letters .. even the one from the lady who wrote us last week saying, "I understand there is a machine to manufacture eggs, and I need information on it."

(That was easier to answer than the question of a man who asked for a home brew recipe, and pointed out, "If I can change the taste of my formula, I can get 25 cents more a bottle for it." We suggested that he check with the Treasury Department before he went any further.)

3. Finally, for the benefit of the Department and the nation, we are hopeful that this process will make it possible to raise our sights and shape our programs more intelligently in the days ahead. We all want to do today what will mean a better U.S.A. come the year 2000.

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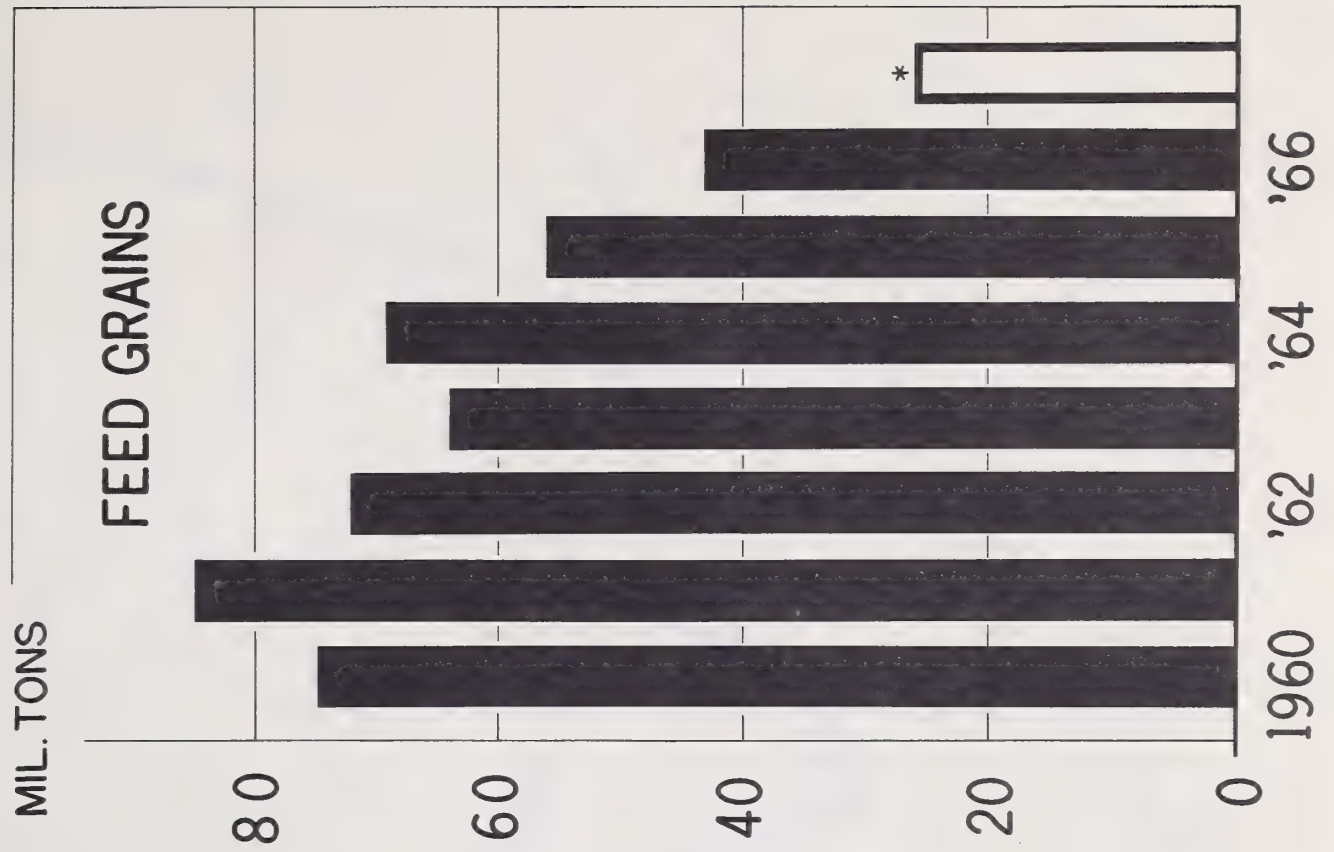
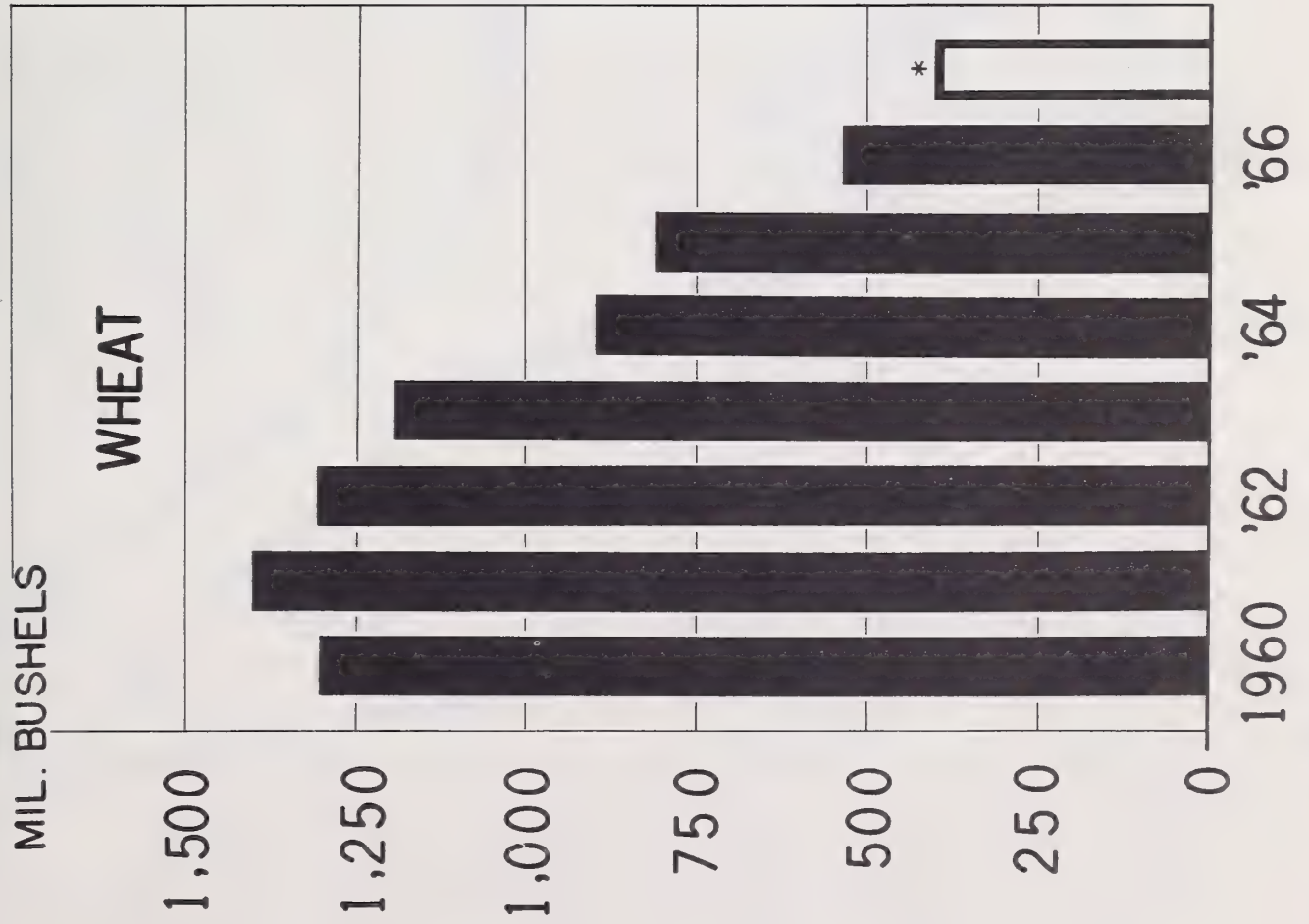
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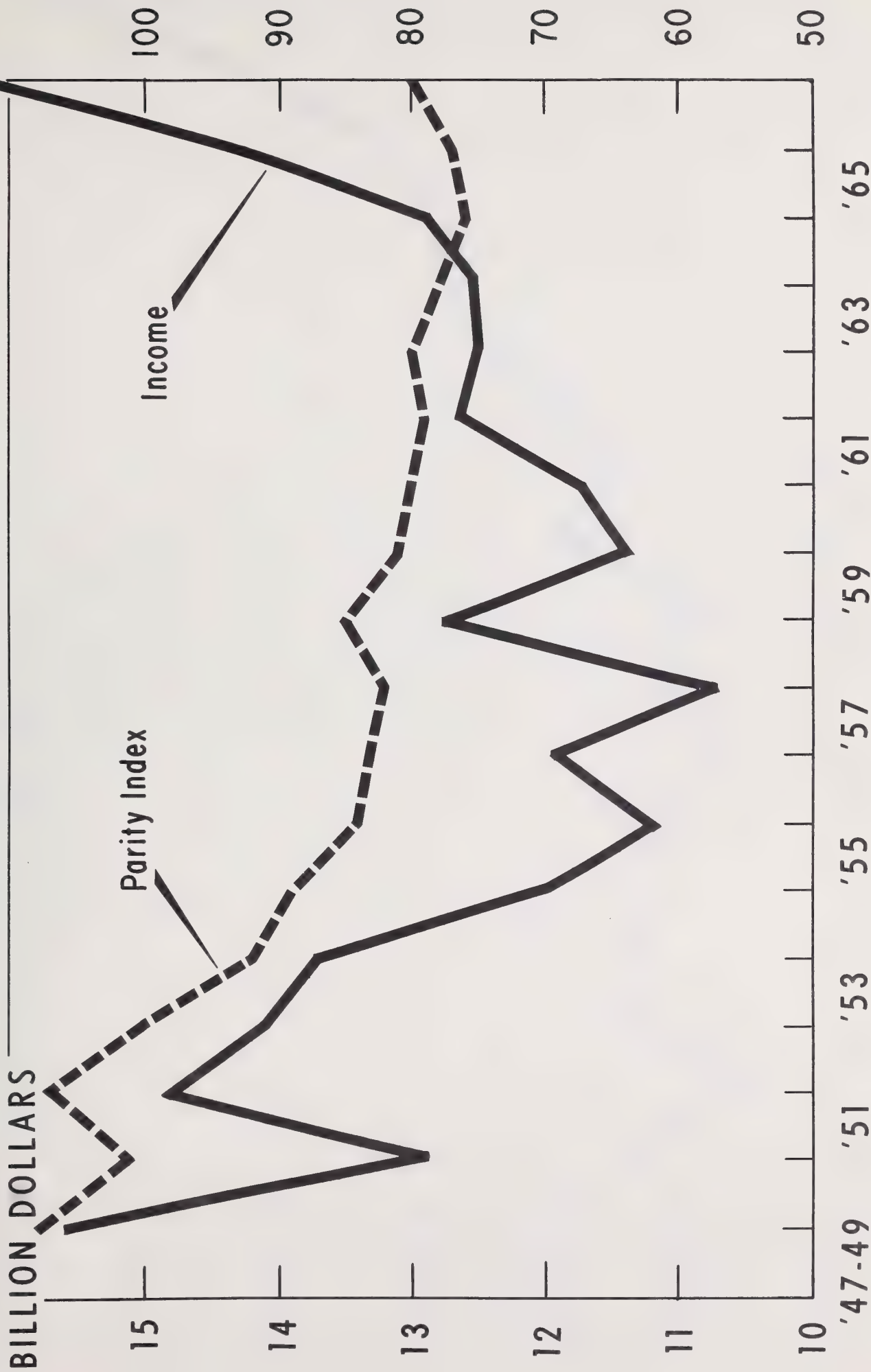
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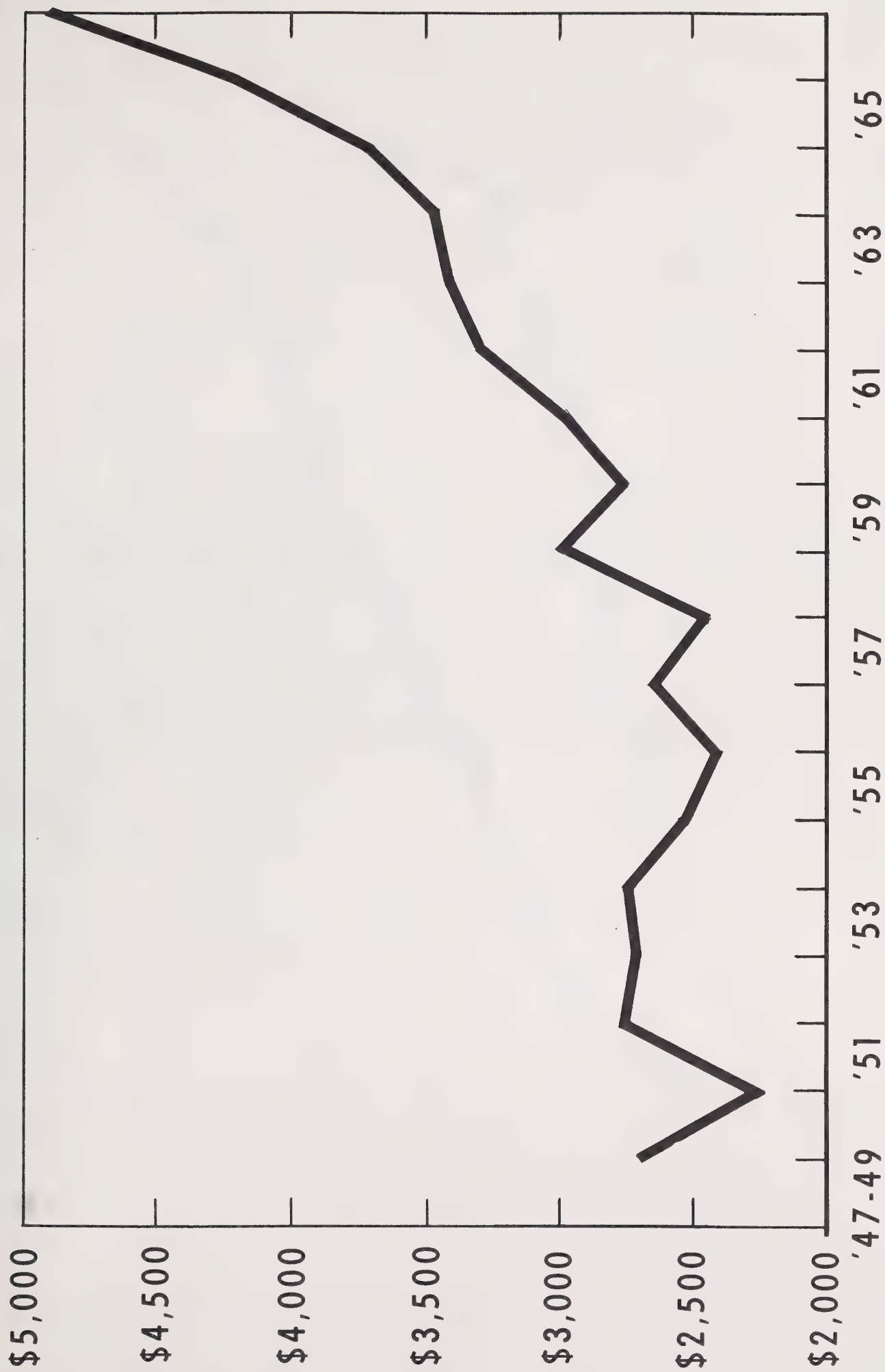
* 1967 ESTIMATED

REALIZED NET INCOME FROM FARMING **1947-49 AVERAGE AND ANNUALLY 1950-66**

PARITY INDEX

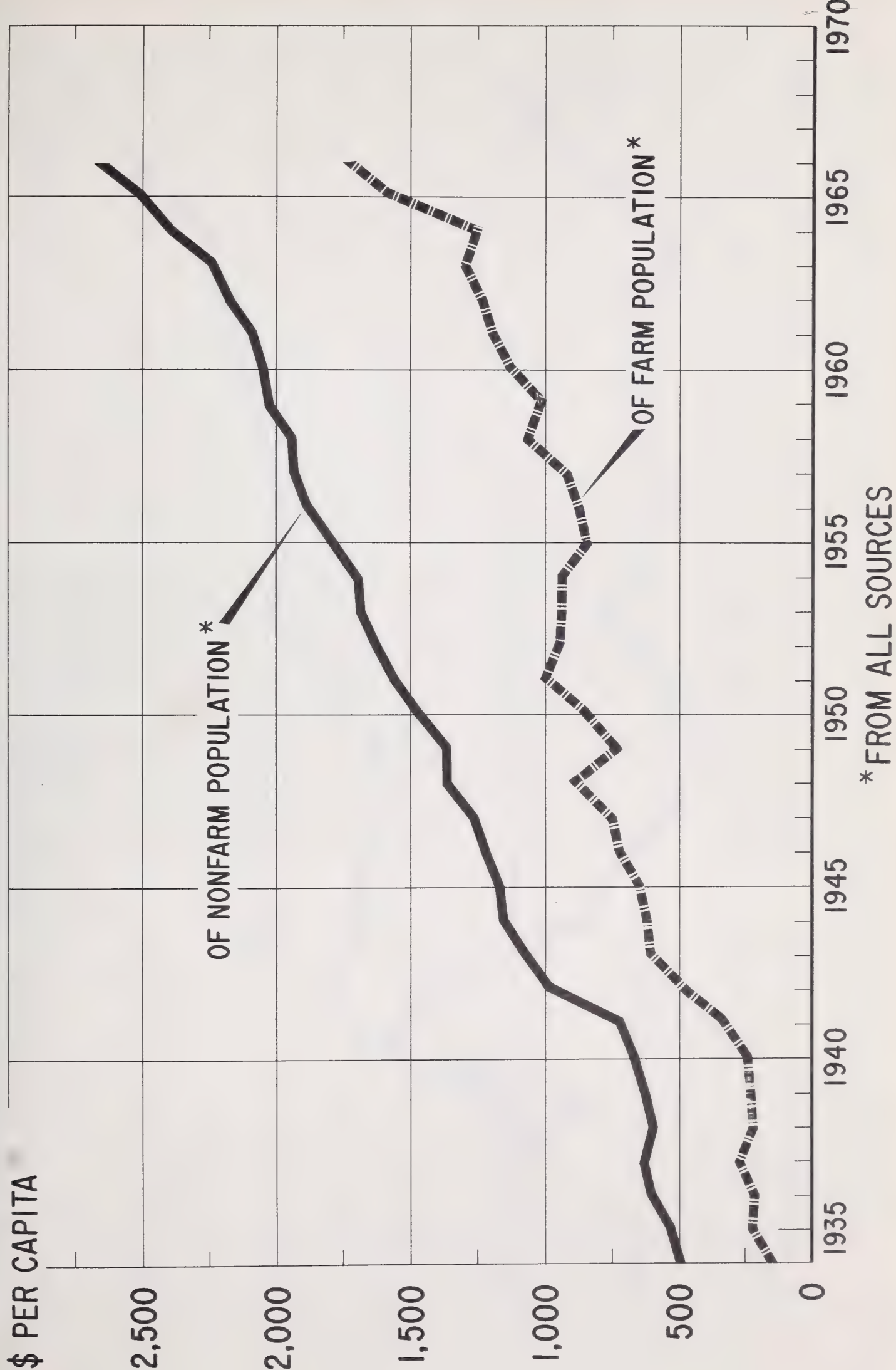


OPERATORS' REALIZED NET INCOME PER FARM AVERAGE 1949 AND ANNUAL 1950-66

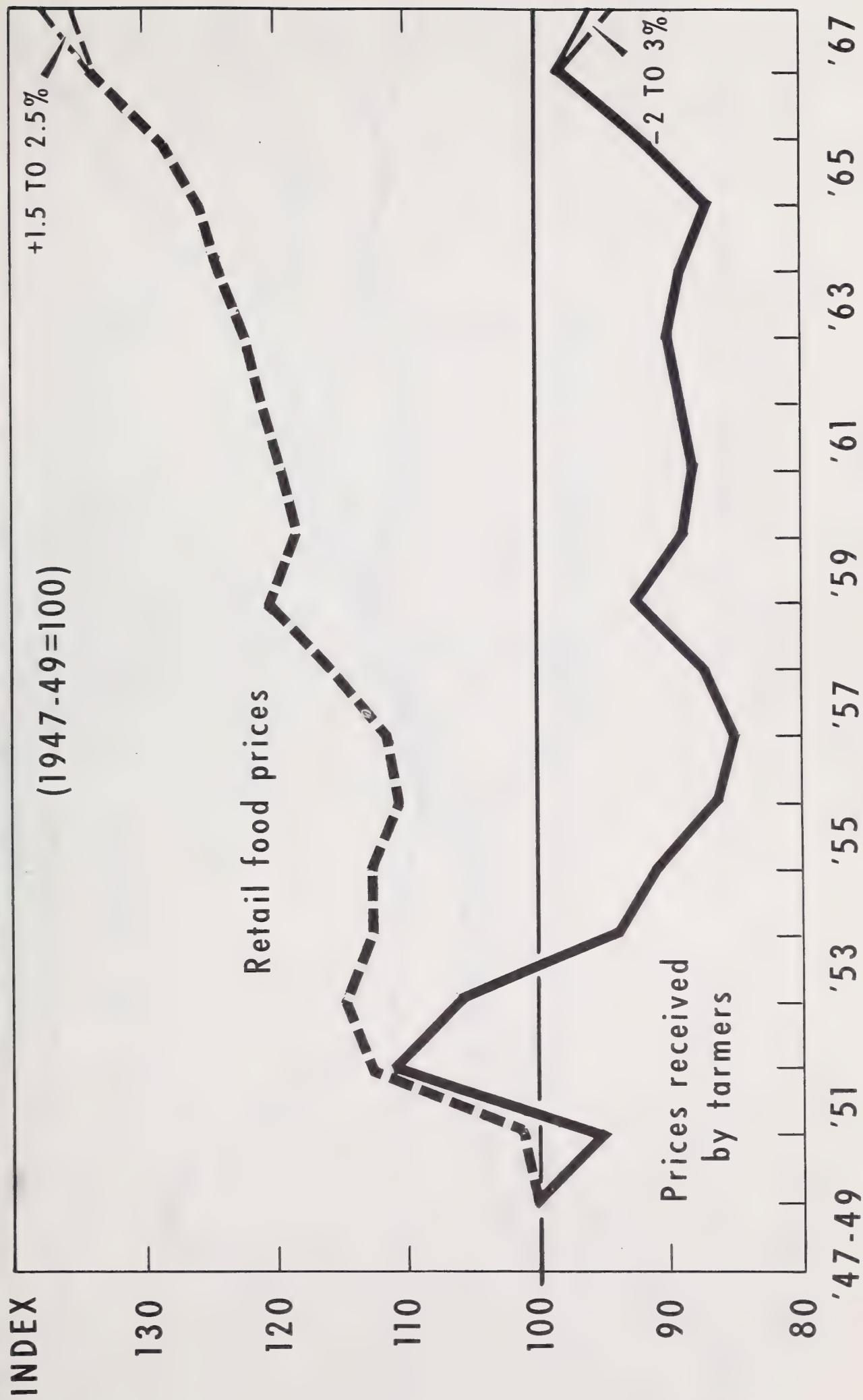




DISPOSABLE PERSONAL INCOME



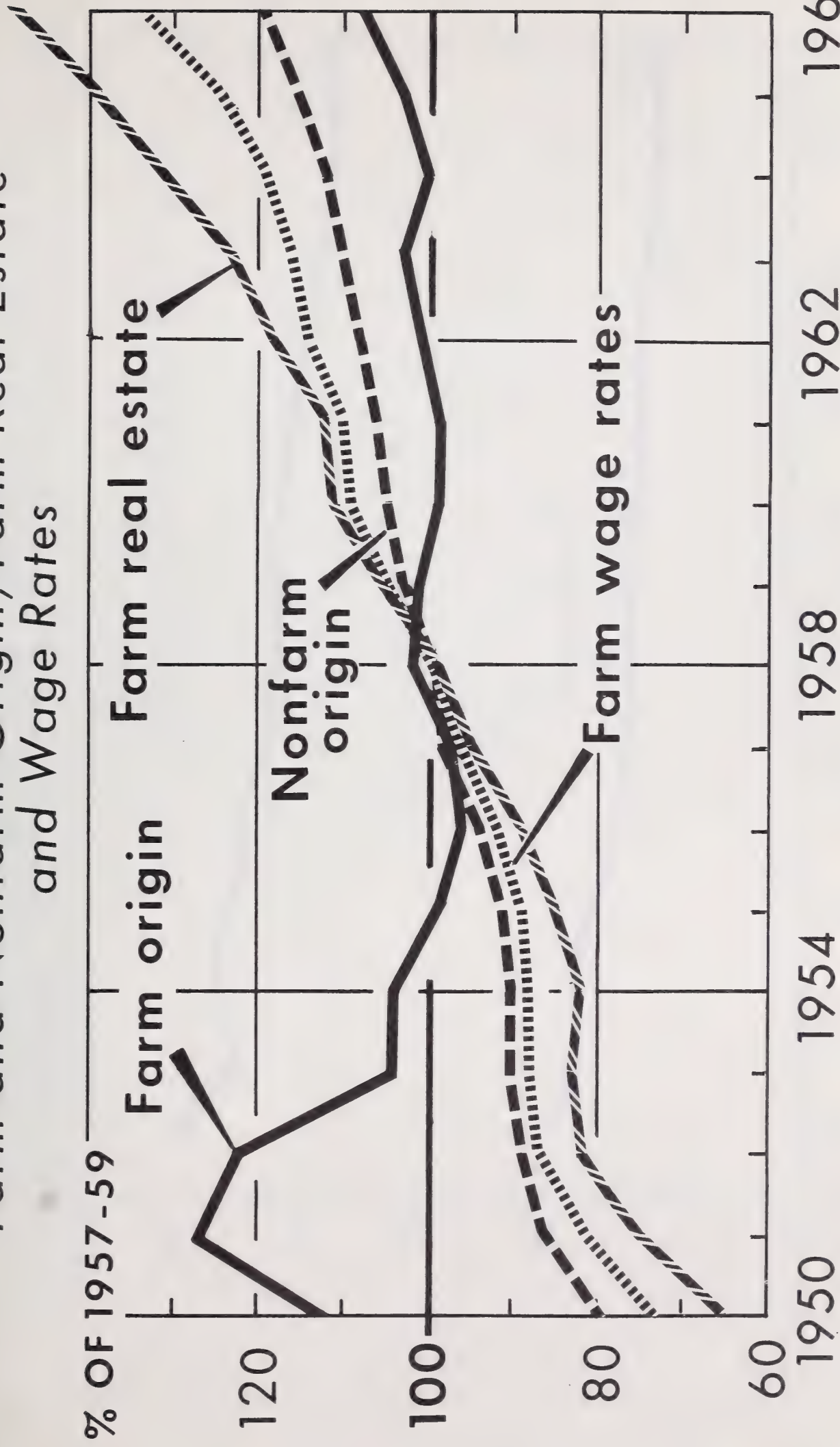
PRICES RECEIVED BY FARMERS AND RETAIL FOOD PRICES 1947-49 AVERAGE, ANNUAL 1950 TO 1966 AND ESTIMATED 1967





PRICES PAID FOR PRODUCTION ITEMS

Farm and Nonfarm Origin, Farm Real Estate
and Wage Rates



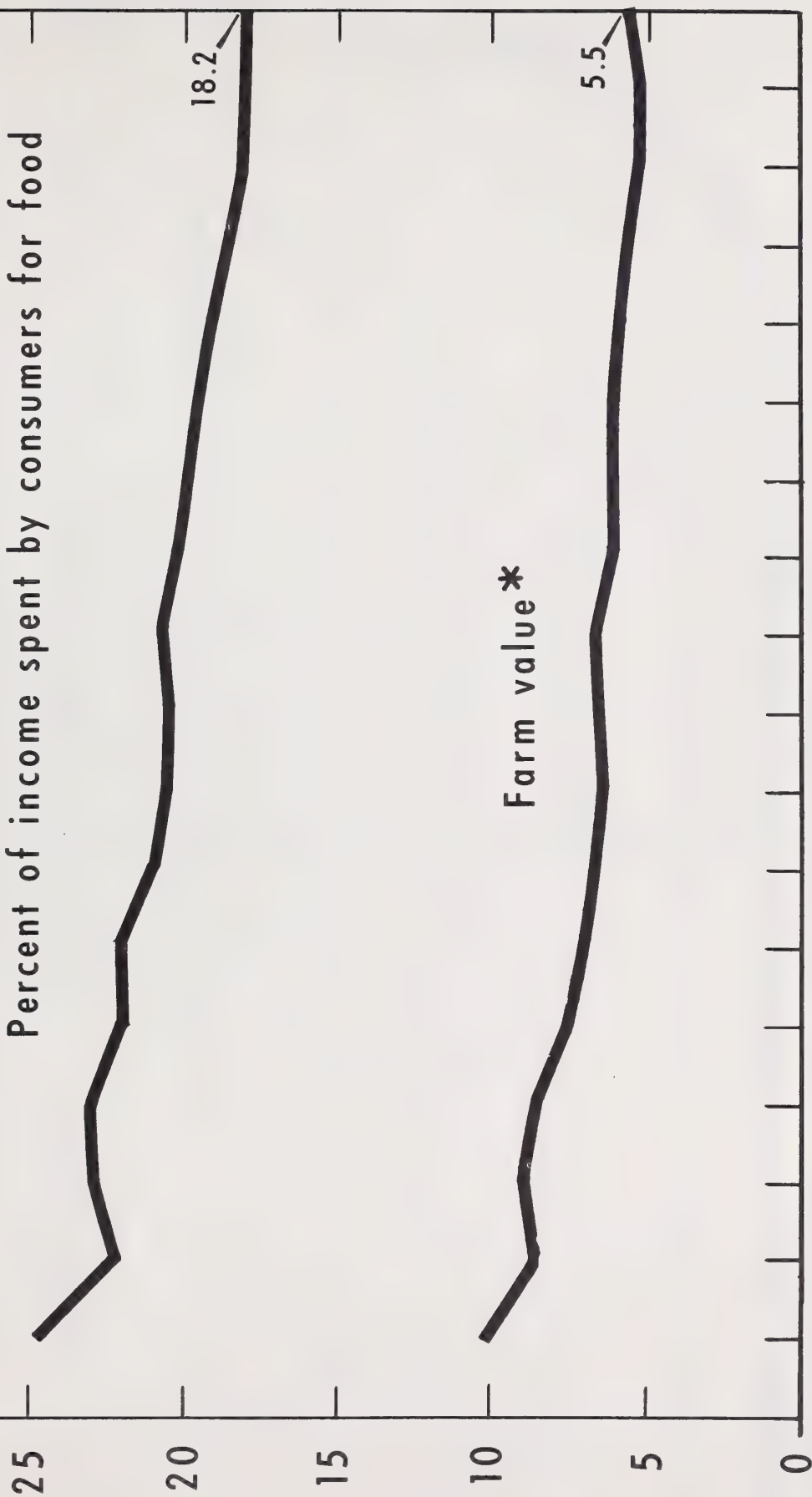
1966 DATA ARE JANUARY - AUGUST AVERAGE.

CONSUMER EXPENDITURES FOR FOOD RELATIVE TO INCOME

AVERAGE 1947-49 AND ANNUAL 1950-66

PERCENT OF PERSONAL
DISPOSABLE INCOME

Percent of income spent by consumers for food

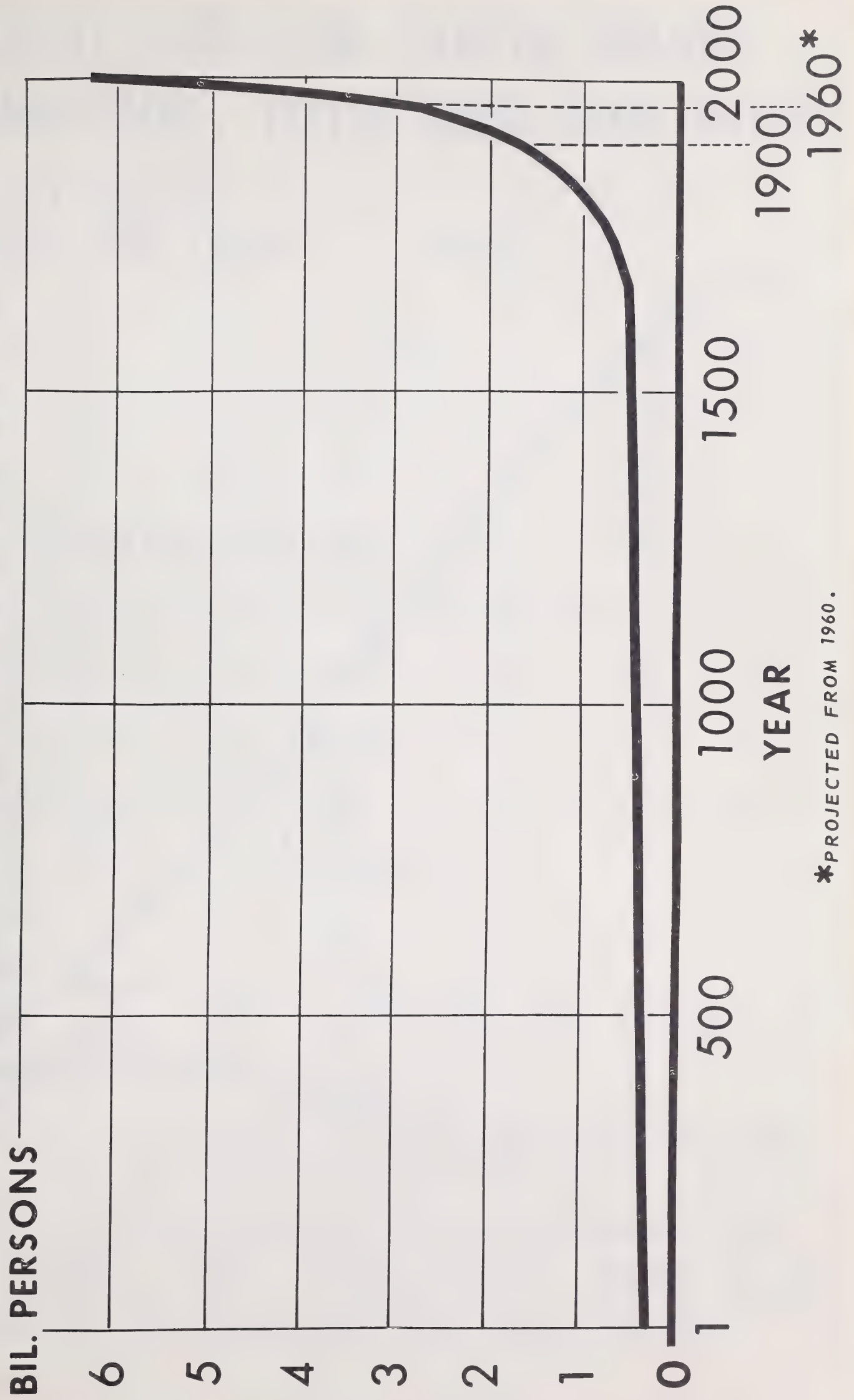


* FARM VALUE OF FOOD PURCHASED BY AMERICANS AS A PERCENTAGE OF PERSONAL DISPOSABLE INCOME. 1966 DATA ARE PRELIMINARY.

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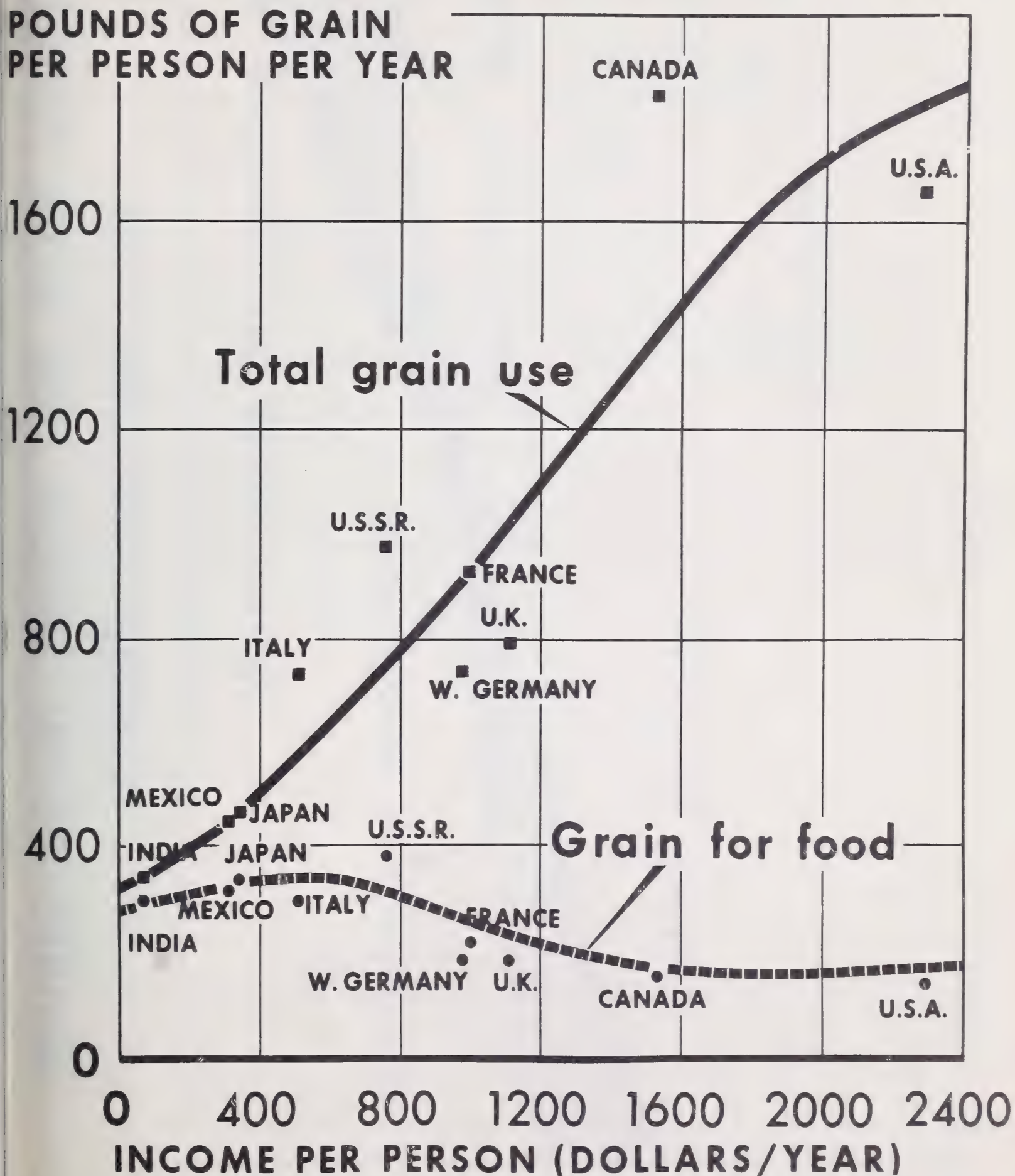


TWENTY CENTURIES OF WORLD POPULATION GROWTH





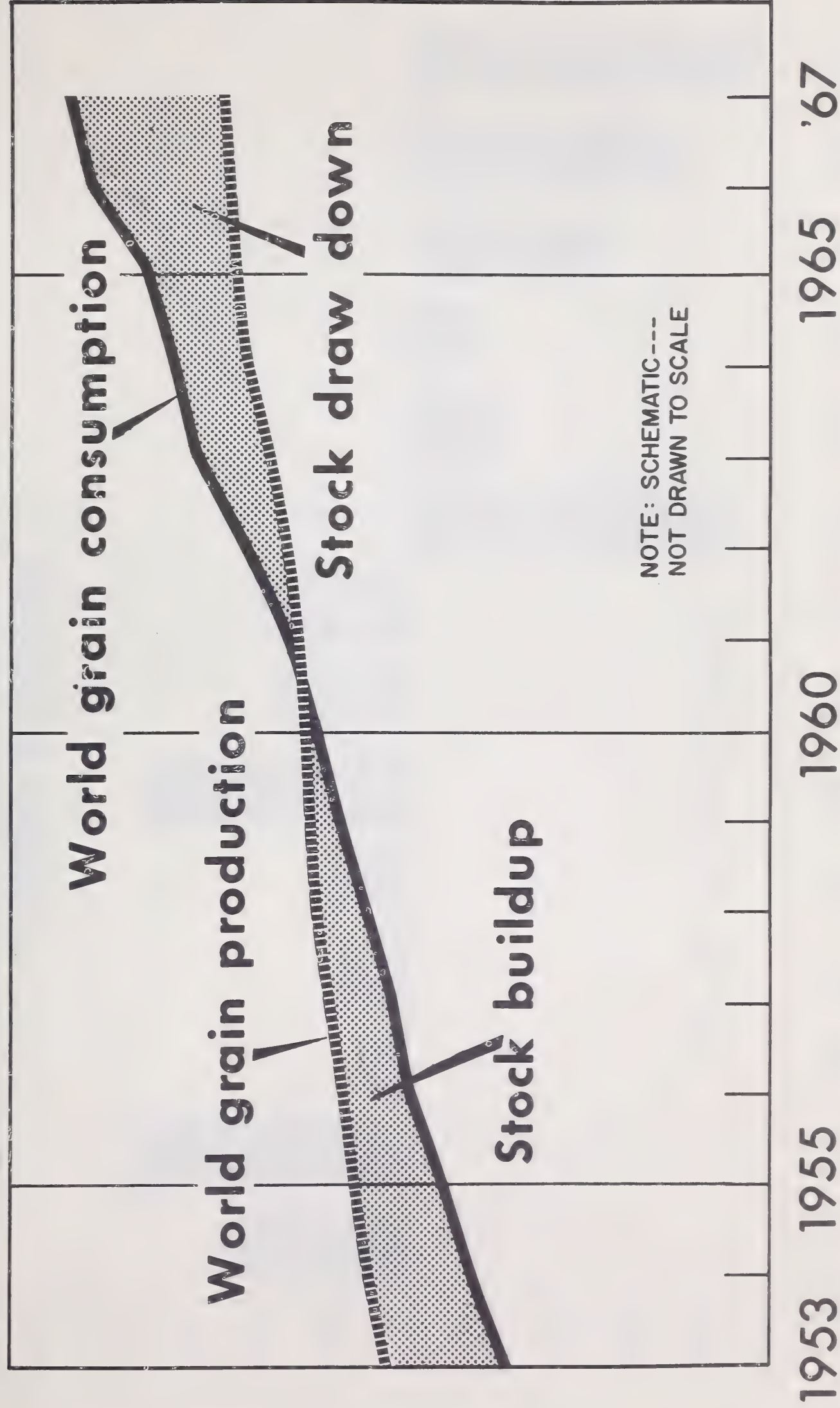
INCOME AND PER CAPITA GRAIN CONSUMPTION, TOTAL AND FOR FOOD



THE JOURNAL OF THE AMERICAN MEDICAL ASSOCIATION

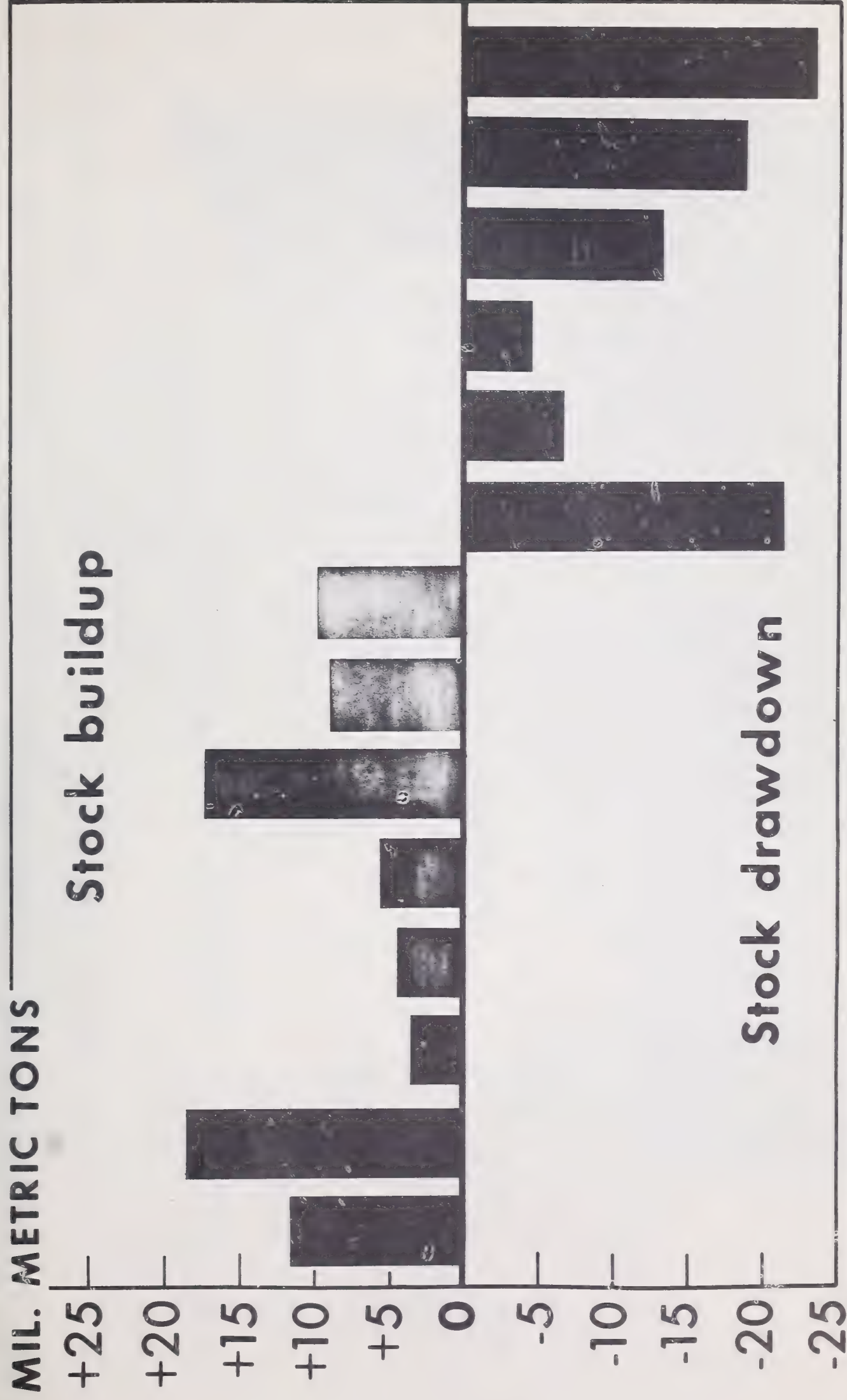


WORLD GRAIN PRODUCTION NOW LAGGING BEHIND CONSUMPTION





CHANGES IN WORLD GRAIN STOCKS

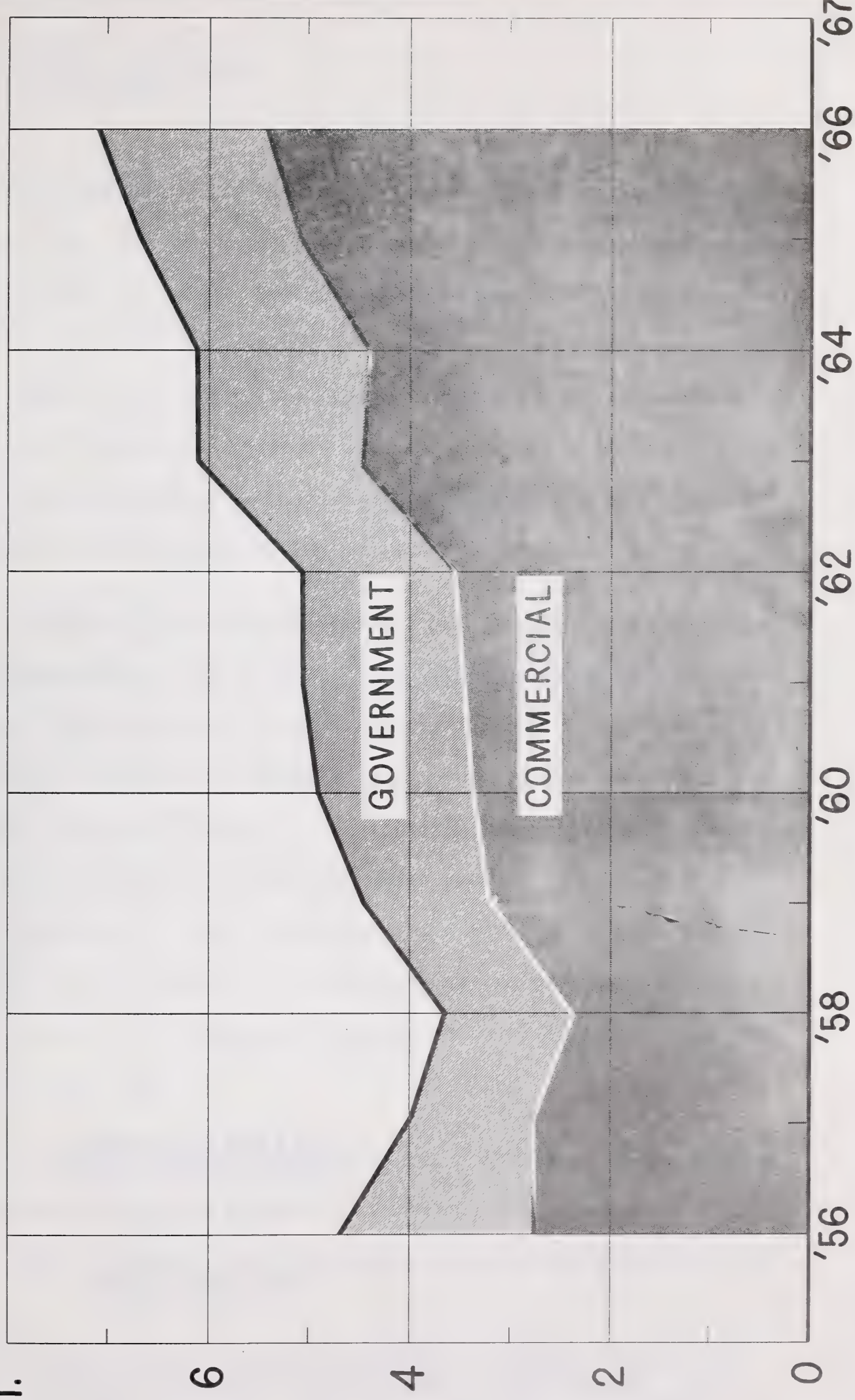


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Office of the Secretary

Your Commission is holding its hearings at a particularly appropriate time. The war on poverty has been underway on a large scale for a little over two years. But already the signs of war-weariness -- cynicism, vitrolitic political attack and apathy -- can be seen in the land. The nation badly needs to rededicate itself to the elimination of poverty, and the task of building of viable economies in rural America. The hearings this Commission is conducting, and the report it will write, will aid immeasurably in this rededication.

I hope that your hearings impress one indelible fact in the national consciousness. It is this. This nation is going to pay for poverty, one way or another. We have a choice, however. We can pay for the effects of poverty in endless generations of welfare payments; in increased crime and violence in the streets; and in palliative measures; or we can pay for the kind of programs which provide training for the untrained, education for the ill-educated, and work for the unemployed. We can build the environment this land needs in the process. The second alternative is not only more humane; in the long run it will cost the taxpayers less money.

The subject today is poverty in rural America, where one-third of our population lives and one-half our poverty exists. Everyone on this commission knows it exists, but let me cite a few of the statistics for the record.

Statement by Secretary of Agriculture Orville L. Freeman, before the National Advisory Commission on Rural Poverty, GSA Office Bldg., 7th and D Streets., S.W., Washington, D.C., Feb. 15, 1967, 9 a.m. (EST).

-- Almost one in every two rural families has a cash income of under \$3,000 a year.

-- Nearly half the substandard housing is found in rural areas.

-- In an age of the two-bath suburban home, one-fourth of all rural nonfarm families are without running water.

-- Rural adults lag almost two years behind urban adults in years of school completed, and rural children receive one-third less medical attention than urban children.

Rural America's traditional business, agriculture, is requiring fewer and fewer people to produce more and more food, and timber and mining, two other traditional rural occupations, are experiencing the same technological displacement.

Rural America is a paradoxical place, and it is dangerous to generalize. There are prosperous and poor farmers; there are progressive rural communities and there are rural slums, there are booming population centers serving rural areas, and sections of whole states and regions in decline for lack of resources or effort.

Rather than trying to cover the whole broad canvas of rural life, however, my testimony today will be confined to two general areas:

1. What the Department of Agriculture has done, and is doing, to eliminate rural poverty and build a viable economy in the countryside, and

2. What more needs to be done by the nation in the future.

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Organization and Administration

Before federal programs can be effective on a local level, an organizational framework in which they can operate is necessary. Such organization already exists in urban areas; in many rural areas it does not. Rural leadership, in many areas, has been drained off to the city and the people needed to spark community efforts are lacking. Trained professional people are scarce; population is scattered, rather than concentrated. These are just a few of the problems encountered -- and there are many more.

In an attempt to overcome these problems, Rural Area Development committees were established in 1961 and 1962 to form a leadership framework for the programs needed in rural America. These committees now exist in some form in 3,000 rural counties, functioning at varying levels of success.

A later step was establishment of interdepartmental Technical Action Panels, composed of the senior federal technical specialists and state and local specialists in each county or multi-county area. Purpose of the TAP's was to furnish local development committees with trained, professional personnel to aid them in their development efforts, to provide a pipeline through which local people could channel development plans to the federal level, and to closely coordinate USDA programs in each area.

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These efforts to build a structure in rural America, though useful, still weren't enough. Organization and planning on a multi-county base was found to be necessary. As a result, in the last session of Congress the President recommended a Community Development District bill.

This legislation would have helped local communities to form multi-county development districts around a natural growth center, and would have funded the kind of planning grants and technical planning assistance common in urban areas, but lacking in rural areas. This legislation was extremely important in implementing rural development but, as you know, failed to pass.

Next the President, in a series of executive orders issued last fall, also acted to streamline, clarify and coordinate rural development efforts on the federal level. Specifically, the President:

a. Directed Federal agencies to coordinate their boundaries for Federally-assisted planning and development districts with existing State planning boundaries, to eliminate confusion and overlap.

b. He directed the Secretary of Agriculture and the Director of the Budget Bureau to review all existing programs with Cabinet and other Federal officials to insure that rural areas receive an equitable share of existing Federal program benefits, and to submit proposals for administrative or legislative changes needed to obtain such equity, and

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c. Finally, the President assigned responsibility for cooperation in agricultural and rural development within the federal establishment to the Secretary of Agriculture, with a view toward better coordination and elimination of duplication.

The Rural Community Development Staff performs coordination efforts in Washington, in addition to an "outreach" functions bringing federal programs into rural areas. One such outreach project was notifying more than 4½ million rural persons over 65 of Medicare benefits. This program, undertaken by various USDA agencies with RCDS coordination, reached the elderly poor throughout rural America, bringing them Medicare information before the deadline for sign-up. Field outreach functions for the Department have been assigned to the Farmers Home Administration and to the Technical Action Panels.

Programs

Until very recent years, the Department of Agriculture was concerned almost exclusively with agriculture and forests. That changed in 1961. Only since then a serious attempt has been made to address our personnel and programs to the broader problems of rural poverty and rural economic development as well as carrying forward our traditional food, forestry, and agriculture mission.

In general, these new tasks have been undertaken within existing agency framework and largely with existing personnel and resources. The Department, because of the nature of agriculture, is a decentralized agency. Much of its day-to-day workings are carried out by farmer-elected

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committeemen in the field. Much of its research is undertaken cooperatively with the states, as is administration of its food aid programs. The extension service, as you know, is a joint federal-state-local action arm.

In these respects the Department differs from many other federal agencies. While such a structure has great strengths, it also presents administrative problems which differ from the traditional straight-line type of organization. It is often not enough just to direct that a new direction be taken. Getting results requires close cooperation among several layers of government and skillful coordination.

With this background, I would now like to briefly discuss some of the on-going Department programs, agency by agency, and also to point out some of the difficulties which exist. A detailed report of each agency's activities will be submitted separately, for the record.

Agricultural Stabilization and Conservation Service administers the commodity programs, which are often under criticism for not doing enough for the very small farmer. The criticism, in my opinion, is unfair. These programs are not designed as welfare programs, but rather as devices to bring supply and demand into balance and to maintain farm income for adequate sized, commercial family farms. In this they have succeeded rather well. Without them, according to well-documented studies, national farm income would sink to disaster levels, further

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exacerbating the problems of rural poverty and outmigration. The programs cannot, of themselves, sustain a farmer whose land and capital resources are inadequate, despite provisions in some individual commodity programs which do make special provision for the small farmer

ASCS programs of most direct benefit to smaller farmers include the Appalachian Stabilization and Conservation program, which has provided funds for some 7,000 needy farmers to carry out conservation practices, the Agricultural Conservation Program which, in some areas, offers special cost-sharing in conservation work for poverty-line farmers, and the Cropland Adjustment Program, which has allowed some older, marginal farmers to retire their land, yet remain in their farm homes.

The Farmers Home Administration, at its current rate of over \$1 billion a year, today is advancing about four times as much in loans to rural Americans as it did six years ago. More than half of FHA's farm loans go to families living on \$3,000 a year or less. The bulk of their housing loans, farm and nonfarm alike, go to low and moderate-income families. In addition, FHA administers the self-help housing program, which benefits low-income families, and \$33 million in economic opportunity loans to low-income families and cooperatives serving the poor.

The Farmers Home has also been making special efforts to reach the rural Negro. In the past fiscal year more than 104,000 rural Negroes received some 20,800 FHA loans totaling over \$50 million.

(more)

This was a 30 percent increase over 1965 in the number of loans advanced to Negroes, and a 146 percent increase over 1960.

Simultaneously a concerted effort has been made for Negro representation on state and county FHA committees. When I came to Washington, no Negroes served on these committees. Today, 391 Negroes serve as regular members of FHA county and state committees.

The progress, both in civil rights and in serving the poor generally, has been substantial. But we are aware that loans can't help a person with no ability to repay them. Grant authority was requested, but provision to make grants for farm and small business enterprises was dropped from the Economic Opportunity bill. The authority to make housing repair grants is on the books, but no funds have been authorized to supply the need.

The Forest Service provides projects to employ some 10,000 young people in the Neighborhood Youth Corps and in other anti-poverty programs each summer. The Service also manages 47 Job Corps Conservation Centers and supervises about 7,000 Corpsmen.

In Benton County, Mississippi, an area of high unemployment, the Forest Service is providing jobs, under the OEO's Nelson Amendment, for 70 men. This is a two-fold project. The men are engaged in landscaping, construction of public facilities and conservation work in the forest, and receiving literacy training through a center in Holly Springs, a nearby town. It's a small project, but the kind that should be enlarged when more funds are available. In the first four months, 17 men have been placed from the project into local jobs.

(more)

The Soil Conservation Service provides technical services for farmers, rich and poor alike, but has no provisions for financing conservation work. The Service has been active in rural development, however. A study of 635 SCS-engineered watershed projects shows an estimated 20,700 new jobs were created either by new industries which located because of the projects, or by already-present industries which enlarged. Of direct benefit to the poor is SCS technical guidance or supervision for some 1,456 Neighborhood Youth Corps projects in 33 states last year.

The Extension Service, in certain states and areas, has been active in helping to organize Community Action Programs. In addition, they have:

- Worked with OEO in training and supervising professional and subprofessional workers assigned to OEO projects and MDTA projects.

- Helped food stamp and commodity distribution recipients with nutrition and home management training.

- Trained nonprofessional aides to work with low-income families.

- Local extension agents spend 38 percent of their time working with families in the under- \$3,000 bracket.

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Consumer and Marketing Service handles the direct food distribution, food stamp, school lunch and school milk programs on the national level. Administration of these programs is, by law, assigned to the state and local governments. Participation is at the option of state and local officials.

Of the nation's 300 poorest counties -- most of them rural -- 296 are in the school lunch program, 294 in the milk program, and 224 are -- or soon will be -- in either the commodity or stamp program.

On the whole -- not in every single case, but on the whole -- these programs have been highly successful. In the past six years either the stamp or commodity donation program has reached 700 new counties -- 245 of them in the Southeastern states alone. Some counties either refuse to, or are unable to, cooperate in the program. We are making every effort to handle these problems individually, without destroying the structure of state and local cooperation which is working successfully over most of the nation.

By law, a community can have either the stamps or direct distribution, but not both. We hope to develop a system to make stamps available to persons who cannot even afford the present \$2 per person per month minimum. And finally, we are seeking greater funding for Section 11 of the National School Lunch Act, which allows extra cash help to needy school districts.

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This, in brief overview, is what the Department is doing, and some of the problems we're encountering. Is it enough? I don't think it is. We will have to do much more in the future than present authority and resources now allow, if we are serious about eradicating -- not just alleviating -- poverty in rural America.

Therefore, for the Commission's deliberation and consideration, I would like to present my views for action in two broad areas:

I. To Meet Immediate Needs

1. Great numbers of the rural poor; the very old; the fatherless very young, the sick, the disabled, cannot be helped by on-going programs keyed to training, jobs, education. They are the recipients of various forms of public assistance. Fifty-seven percent of Old Age Assistance recipients, and about one-third of the families receiving Aid to Dependent Children live in rural areas.

As President Johnson pointed out in his Economic Report for 1967, "Our system of public assistance is now 30 years old and has obvious faults. The standards of need set by many states are unrealistically low; benefits are further restricted by excessively stringent eligibility conditions." The President called for reforms, including raising payments to more acceptable levels and a formula permitting recipients to keep part of what they are able to earn without loss of payments.

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He pointed out that some states do not meet even the minimal levels the state itself has established. In 18 states, most of them with large, low-income rural populations, a family of four receives only \$45 per month.

Some formula of equity for the helpless is needed -- for two reasons. The first, obviously, is to allow the recipients themselves to maintain a decent life. The second is that without an equitable standard between the several states, the problem of migration from states not meeting their responsibilities, to states that are meeting their responsibilities, causes excessive human, financial and social problems for the states receiving the migrants.

2. A second immediate need is a healthier agricultural economy. This is basic, and I am on record enough times in recent months to obviate the need for a long discourse on this subject. Suffice to say that in 1966, with the highest net income per farm in history, the average per capita farm income is \$1,700 annually, versus \$2,610 per capita for other Americans. The figures -- and the need for further improvement in our commodity programs -- speak for themselves.

3. Third is jobs. There is no shortage of willing workers in rural America, and there is no shortage of jobs they can perform with the skills they have right now. During 1962 and 1963, under the Accelerated Public Works Program (since expired) one single agency, the Forest Service, hired 9,000 men within one month's time, putting them to work on a wide variety of conservation chores which had been neglected for years.

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What was true in 1963, under APW, is equally true today in Nelson Amendment projects, including the one mentioned earlier, where useful work is accompanied by further training and education. A backlog of unfinished environmental improvement and conservation jobs big enough to furnish from 8 to 10 million man-years of employment exists in rural America.

For example:

- 30,000 rural communities lack modern water systems. 60,000 are without adequate sewer systems.
- 6.8 million homes are in need of major repair and 1.6 million of these are so dilapidated they require replacement.
- The National Forests and private lands are in need of much more intensive conservation work than they are receiving today; Thousands of miles of fire trails need to be built, thousands of acres of reforestation are needed; highway rights-of way and stream banks need erosion protection; thousands of new camping, picnic and recreation sites are needed.

All of this in rural America, and most of the projects well within the competency of most of those presently unemployed and underemployed, if a formula to bring together the jobs and the unemployed, and the national will to do it can be found.

This is a difficult, but not impossible task. Part of it is being done today, mainly through lending authority of the Department of Agriculture. To cite some examples, during 1967 the Department will:

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1. Provide \$435 million in rural housing loans for 48,000 families.
2. Help finance some 200 community recreation centers in rural areas.
3. Finance \$304 million in loans and grants for construction or improvement of some 1,700 rural water and waste disposal systems.
4. Approve construction of another 63 multiple-purpose watershed projects and help another 8,500 rural landowners with income-producing recreation developments.

Let me repeat. The job can be done; doing it is cheaper, in the long run, than merely treating the symptoms of poverty, and some day it will be done. Why not start now, rather than wait until another generation falls into despair?

Long Term Solutions

One reason we're not doing this rural development job on the scale it should be done, is that we lack any accepted national policy in rural/urban balance.

Rural areas, relatively, are becoming depopulated; urbanized areas now comprise about 1 percent of the continental land mass and contain 70 percent of the population.

We have never seriously asked ourselves -- let alone answered -- questions like these:

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"What is a desirable maximum size and population for any one metropolitan area?

"What are the real social costs in the unplanned population shift this country has been experiencing over the past several decades?

"How much weight should be given rural/urban balance in the location of government facilities and awarding of contracts?"

These questions go to the very heart of rural poverty and rural economic development.

Without answers to them, the rich areas will get richer; the poor areas poorer.

Dispersal of population more widely over the continent in no sense implies a "back to the land" movement. Potential growth centers are widely dispersed throughout the nation. Approximately two-thirds to three-fourths of our rural population lives within 50 miles, or commuting distance, of one of these potentially viable growth centers. A deliberate growth and development policy, fostered by both the public and private sector, could change for the better the prospects of scores of these growth centers, and of millions of people.

Specifics of such a program, for your consideration, might include:

1. Defense contracts exert a prime influence on regional development. A Department of Agriculture study undertaken several years ago showed that out of \$28 billion expended in prime military contracts, 23 percent went to one state alone, California, and that the same state received 60 percent of the \$6.3 billion DOD research and development funds during the following fiscal year.

The Department of Agriculture is in the process of exploring with other federal agencies the whole broad question of defense and other government contracts in rural areas.

2. When new public installations, federal, state, and local are planned, consideration should be given to the advantages of placing some of them in rural areas rather than in large metropolitan areas. Study of this complex subject is already underway. The Commission may wish to explore it further.

This completes my prepared statement. Thank you for your attention, and I will be glad to try to answer any questions you may have.

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AGRICULTURE/2000 -- GROWING NATIONS, NEW MARKETS

This is the fourth in a series of six messages I will deliver this year on agriculture's role in helping to prepare this nation -- and the world -- for the Year 2000.

Earlier in the series, I talked about Agriculture/2000 -- Income and Abundance, Agriculture/2000 -- Communities of Tomorrow, and Agriculture/2000 -- Resources in Action. Today I intend to explore with you an even broader and deeper subject -- the role of agriculture in developing -- by the Year 2000 -- a world free from hunger ... a world largely insulated, thereby, from the tinder of international tension.

Admittedly, hazarding predictions about the future implies some arrogance of omniscience. But no man, of course, is omniscient -- and least of all the Secretary of Agriculture. The rapidity of change in our own lifetime staggers the imagination and deters even the brave from anticipating what the world will be like 33 years from today.

The changes, the progress, and the disappointments which will occur **between** now and then will, I'm sure, far exceed those that have taken place since 1934, the second year of the New Deal.

Consider the world of 33 years past. How many then -- peering into the future in 1934 -- foresaw today's wonder drugs ... the victory

Address by Secretary of Agriculture Orville L. Freeman at the Overseas Press Club, New York City, February 15, 1967, at 1:15 p.m. EST.

over dread poliomyelitis ... the popular universality of television ... the phenomenon of 6 percent of the population supplying the food needs of 197 million fellow Americans and millions overseas ... the jet airplane ... walks in space ... and the imminence of man's first visit to the moon?

And, on the darker side, how many foresaw the impending holocaust of World War II ... the bloody frustrations of Korea ... the awesome tapping of nuclear energy ... slums, squalor, and strife in the streets in the midst of unprecedented social advance and economic prosperity ... or the hovering spectre of world-wide hunger?

Of only one thing can we be certain. Changes will occur far more rapidly in the 33 years ahead, than they did in the 33 years before.

This fact alone compels us to think about the future ... to postulate alternatives ... to look to the experts for every glimmering of knowledge, for every bit of information we can marshal in an all-out effort to chart the course to a better world ... a better life. We can't afford to do less. The luxury of lead time to correct mistakes is a luxury of the past.

With this in mind, it behooves us to establish a priority of effort ... a determining of what first must be done.

Circumstances already have determined that priority. In his State of the Union message, on January 10, 1967, the President described it in these words:

"Next to the pursuit of peace, the really great challenge to the human family is the race between food supply and population increase. That race tonight is being lost."

The President did not set this priority casually. His words were emphatic. In this winter of 1967, the War on Hunger is being lost.

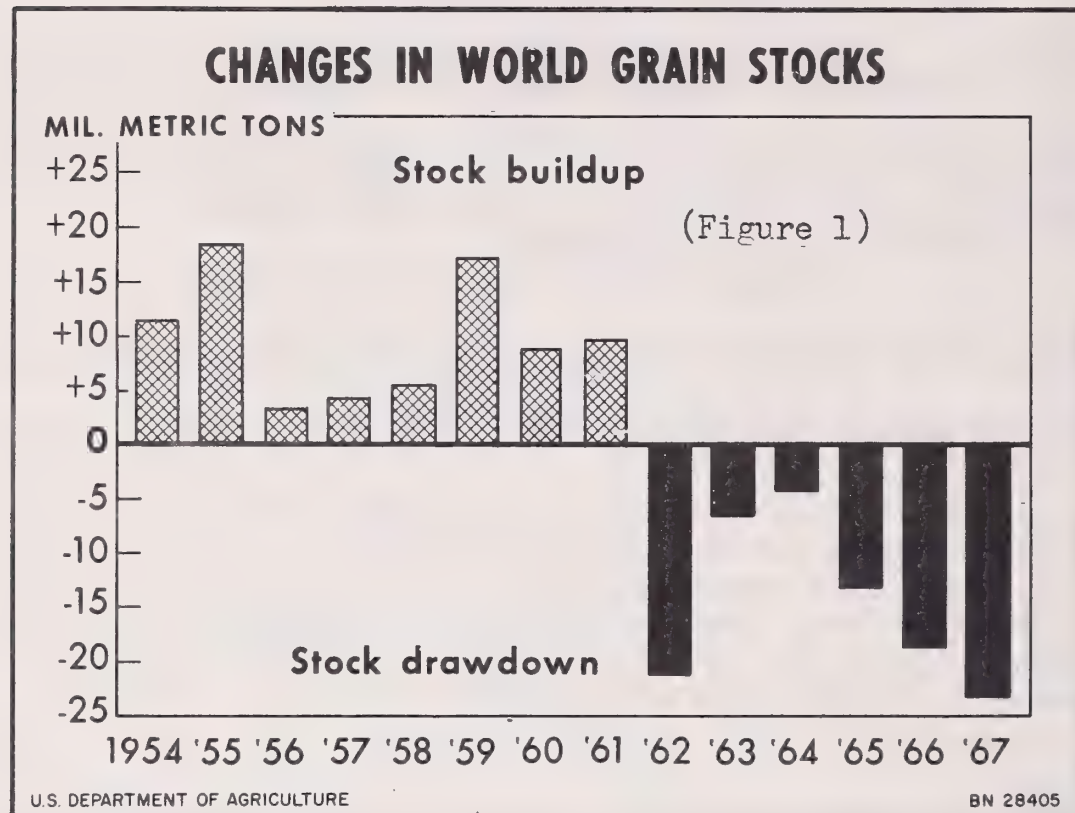
Unless something is done now, the world's population will double by the Year 2000 -- rising from 3 billion people to more than 6 billion. When we consider that it took from the beginning of time until 1967 to reach a world population of 3 billion ... and will take only 33 more years to add the second 3 billion ... this projection becomes both awesome and threatening.

And ... the most rapid gains in population are taking place in those lands least able to cope with them.

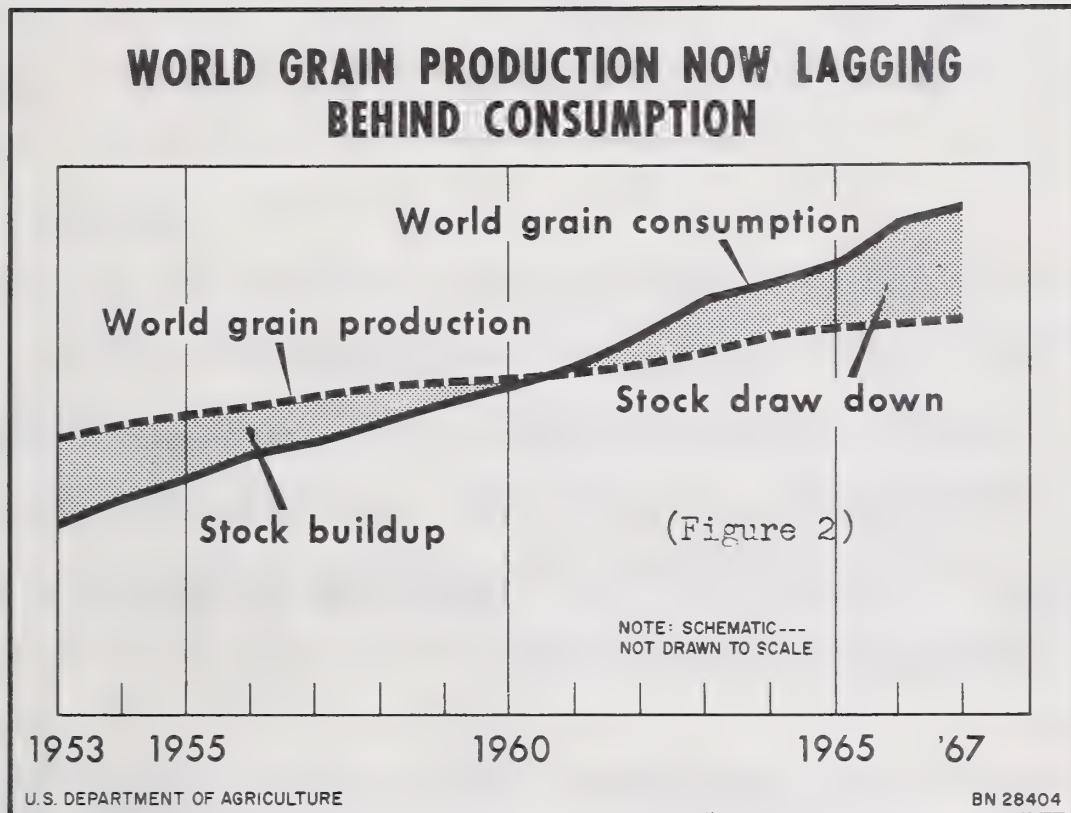
The developing nations of Asia, for instance, now contain more than half the total number of people in the world ... and are adding nearly a million more each week!

From net grain exporters a generation ago, the developing nations have now become importers of more than 30 million tons of grain a year in their desperate efforts to feed a populace that can no longer be sustained by the primitive tillage of their own soils. Nearly one-fifth of the United States' wheat crop was shipped to India to stave off famine in 1966. Similar needs are developing again this year. Yet the quantity of grain shipped in 1966 -- so huge it was shipped in the largest flotilla assembled since D-Day -- was still not enough to maintain India's food consumption levels of the early 1960's.

Recent world food trends are alarming. For six years now world grain stocks have been declining. Each year since 1961 world food consumption has exceeded production. This excess of consumption over production was made possible by drawing down stocks.



Now that grain stocks are reduced to near-minimal levels they cannot be reduced much further. This means that the lines in figure 2 must come together again. The production line must go up, or the consumption line will come down.



THE ALTERNATIVES

If nothing is done to alter present trends ... if nothing is done to slow population growth and accelerate food production ... the outlook for the Year 2000 is a grim outlook, indeed.

With fully four-fifths of the 3 billion people-increase projected by the turn of the century added to the developing countries, where food already is in short supply, we can then expect to find by the Year 2000:

A world where the developed nations sacrifice compassion on the altar of survival -- feeding only themselves as they huddle behind arms-and-tariff-protected borders.

A world where the trickling food supply of the hungriest lands runs dry before it reaches everyone ... and millions succumb to starvation.

A world where nutritional hunger completes the grim job of caloric hunger ... and leaves in its wake millions of stunted, retarded, blinded, or ricketed children. And to those who survive the perils of childhood with nothing worse than hollow eyes, distended bellies and spindly limbs will befall the responsibility of leading their haunted, hopeless nations.

A world where hopelessness breeds hostility, where the ever-growing gap between the haves and the have-nots first provokes riots in the streets ... then insurrection and the toppling of governments ... then final, desperate international aggression.

When this occurs, the developed nations that did not act when there was still time to act will learn the harshest lesson of all -- that there is no peace, there can be no security in a world where population smothers the land and hunger takes to the streets.

Centuries ago, the Roman philosopher Seneca observed that "a hungry people listens not to reason, nor cares for justice, nor is bent by prayer."

Last spring in Montreal, Defense Secretary McNamara pointed out that over the past eight years serious outbreaks of violence occurred far more frequently in the have-not nations than in the richer countries.

"Since 1958," he said, "only one of these 27 (rich) nations has suffered a major internal upheaval on its own territory. Among the 38 very poor nations -- those with a per capita income of under \$100 a year -- not less than 32 have suffered significant conflicts. Indeed, they have suffered an average of two major outbreaks of violence per country in the 8-year period What is worse, it has been predominantly conflict of a prolonged nature. There is an irrefutable relationship between violence and economic backwardness. And the trend of such violence is up, not down. When people are hungry and poor, they look toward any promise of a better life."

It should be apparent, then, that if the world pursues its present course ... if the gap between the haves and the **have-nots** continues to widen ... if population expansion is not controlled and food production greatly increased ... the world of the Year 2000 will be a grim, sullen, hate-filled planet tottering on the brink of self-destruction -- if indeed it hasn't blown itself up long before it reaches the turn of the century.

A BETTER WORLD

But need it be? Not if the primary problem of people-and-food imbalance is solved in the next 33 years.

Suppose, for instance, that the hoped-for advances in family planning -- particularly in the developing countries -- do, indeed, occur.

Suppose that by the turn of the century the world has -- not 6 billion people -- but only $4\frac{1}{2}$ or 5 billion.

Suppose effective means are found to increase substantially the world's total food production ... that the developed world's knowledge, technical skills, and investment capital are transplanted to the hungry nations to energize their transition to modern agriculture ... that these emerging nations are transformed from concessional to commercial markets.

And supposing all nations finally do perceive the folly of insulating themselves from truly international dialogue ... and truly international commerce.

What then?

A better world --

-- A world where hunger and hostility are fast vanishing from the earth ...

-- A world where young nations are as healthy as the old ... all but freed from the need of outside assistance ... their economies soundly based on productive agricultures ... able to grow much of what they need ... and able to buy much of what they cannot grow.

-- A world where the children of young nations are not gaunt, dull-eyed, malnourished and illiterate ... but tall, strong, clear-eyed and educated ... physically and mentally ready to assume, in time, the yoke of leadership of nations that have found their places in the sun -- and no longer need covet their neighbor's bounty.

Under such conditions, the resulting serenity and security may well melt away the final walls between nations. With tariffs abolished the free flow of goods, of people, of ideas, and of the fruits of science, research and culture can stimulate global prosperity and insure a lasting peace.

Barring natural calamity -- or the unthinkable war -- perhaps this can all be ours by the Year 2000 -- if we win the War on Hunger.

WEAPONS AND TOOLS

We've seen the alternatives. Now we can properly ask:
What will it take to reach that better world by the Year 2000?
What will it take to solve both sides of the food and people equation?
What will it take to win the War on Hunger?

It will take knowledge. It will take resources. It will take the means to organize resources and apply knowledge. It will take widespread awareness of the urgency of the problem. And it will take skill and determination.

I'm confident we already have the knowledge, the resources, and the means. I'm also certain the world is aware of the problem and is rapidly coming to realize what must be done to slow population growth and spur food production.

The War on Hunger can be won. We can have that better world I've pictured for the Year 2000 ... if we have the determination, the persistence, and the skill to mobilize and use the technical skills already available to the developed world.

KNOWLEDGE

We know that the only acceptable method of controlling population growth is reducing birth rates. We also know this will take time, and education, and money ... and that the effects will not be immediately noticeable because many of those who will be consuming food in the 1980's are already born.

But we also know that science has provided the means to reduce birth rates. The challenge now is to clear the cultural, ethnic, religious and educational hurdles.

A strong beginning has been made. Family planning efforts are being organized in a number of crowded, hungry nations. Some, Taiwan and South Korea, for example, have achieved a perceptible reduction in birth rates since inaugurating nationwide family planning programs only a few years ago.

But time is running out. Surveys and rhetoric must give way to crash programs which can spread family planning as rapidly as possible in every country where the fertility of people is outstripping fertility of the soil.

The awareness of the urgent need for family planning -- and the demonstrated determination to carry out such programs -- offer encouragement that the right approach and the right measures can improve significantly this side of the threatening equation before disaster engulfs us.

We also have the technical skills to solve the other side of the equation. Our own agricultural history, a record of miraculous production gains, shows what can be done. A century ago, one American farm worker met the food and fiber needs of himself and five others. Today he provides for 37. In 20 years, crop production per acre and livestock output per breeding unit have increased 40 percent. And one hour's farm labor today produces five times more than it did in 1921.

What has been done in the United States, can be done in the developing countries. But it must be done much more quickly.

Science and research will spur this accelerated effort. The scope of agricultural research underway in our country today -- research costing nearly \$900 million last year and embracing nearly 50,000 projects -- assures us continuing advances in yield takeoffs, new foods, nutrition, pest control, and conservation. On the strength of achievements to date, and research underway, corn yields of 200 to 400 bushels an acre are predicted by some for turn of the century agriculture.

An entire speech could be devoted to the breakthroughs in creating new sources of high protein -- extremely low-cost -- food for the world's malnourished ... food made from rough fish and from soy, cottonseed and peanut products that are now largely wasted ... food that can be made into new or familiar dishes.

Then, too, there is an exciting development in high protein, high vitamin food stock extracted from a combination of crude oil, bacteria, yeasts, nitrogen, phosphate, and water. Though this is still in the test tube stage, there are high hopes that in the years ahead this product can be made into low cost food which tastes like fish or meat.

The new high lysine corn is not only an important source of protein in itself, but also promises a sharp reduction in the cost of producing animal products. Pigs gain weight 50 percent faster on high lysine corn. This, in turn, promises increased pork products for the protein-starved diets of the hungry nations.

The sea holds out still another food resource that science is tapping -- the calculated cultivation and planned harvesting of fin and shellfish ... and the conversion of seaweed and algae into nutritious food substances.

RESOURCES

What other resources can we muster in the War on Hunger?

The "conventional" weapons, of course ... the food products of our own and other advanced agricultural nations -- those nations still capable of producing beyond their own domestic and commercial export requirements. With these food products we can buy time and prevent the threat of famine while modern agricultural techniques are being exported to -- and adapted by -- the developing countries.

Our own agriculture, healthier than it has been in decades, has reached near supply-demand balance -- to the benefit of farmer and taxpayer alike. The Food and Agriculture Act of 1965 and the Food for Freedom program have given our agriculture the flexibility it needed to achieve stabilization and to respond quickly to the rise and fall of demand. Now, for the first time, we are able to establish an authentic food budget. We can determine what domestic demand, commercial export requirements, and food aid needs will be ... and gear our production accordingly.

Though our surpluses are gone, we still have ~~some~~ remaining reserve acreage to call upon as needed.

But these great conventional resources of the developed nations -- invaluable as they are as a stop-gap averter of famine and malnutrition in the developing countries -- will not be enough to win the War on Hunger.

Our studies show that in the not too distant future all of the productive acreage of all of the advanced agriculture nations will not be enough to meet the food needs of the hungry nations ... if the population juggernaut is not slowed.

If my analysis is correct -- and the world does have the knowledge and the technical skills to balance the equation and feed itself while modern agricultural methods are being adopted by the developing countries -- then the question becomes: do we have the determination and the will to do what can be done to win the War on Hunger?

Only time will tell. But I think we do.

GUIDELINES AND POLICY

The United States has declared all-out War on Hunger. Three times in less than a year, President Johnson has spelled out the dimensions of the world food problem and explained what must be done by the underdeveloped and the developed nations to win that war.

These three powerful messages have set the guidelines to victory as they summoned the entire world into action.

The sign posts marking the guidelines are clearly defined. They are: self-help by the developing nations, multilateral assistance by

the developed countries, greater efforts by international organizations and the gearing of individual governments to apply assistance more effectively, and greater contributions by the private sector of the developed world's economy.

SELF-HELP

Recognizing the foreseeable limit to the developed world's ability to provide enough food aid for the hungry nations to survive, the President's messages call for the developing nations to recognize that, in the long run, they must become able to feed themselves ... that vigorous self-help efforts to boost their own food production to self-sustaining levels must be launched if they are to expect more than emergency aid from this country.

Self-help, the President said, is the "lifeblood of economic development." Without it, no sustained progress is possible. The recipient nations must demonstrate a national determination to improve their own economies by first improving their own agricultures.

It will not be easy. They must compress into years what we took a century to accomplish ... into months what we took years to do. Yet it must be done. And it can be done. Some of the more successful developing nations already are increasing their food production at a greater rate than was ever achieved by us, or any other advanced nation.

All developing nations are now being challenged to emulate and surpass that feat.

MULTILATERAL ASSISTANCE

But while they are trying, they must receive accelerated, multilateral assistance. We are encouraging other developed nations to join with us -- on a proportionate basis -- to contribute their products, finances, services, and talents. Already we are seeing this concept take shape in the consortium approach to food aid for India.

If we are to win the War on Hunger, the President said, all nations -- rich and poor alike -- must join together and press the agricultural revolution with the same spirit, the same energy, and the same sense of urgency that they apply to their own national defense. Nothing less, he said, is consistent with the human values at stake.

ORGANIZATIONAL AND GOVERNMENTAL GEARING

Realization of the gravity of the situation is eliciting a substantial response from many quarters. Our own goal in the Department is to mobilize all the resources of the U. S. agricultural community in an effort to provide enough food for that two-thirds of the world still hungry. The USDA's International Agricultural Development Service was established for the specific purpose of mobilizing these resources and coordinating our response to requests from the Agency for International Development.

Increasingly, AID is asking the Department to assume more responsibility in the agricultural development effort abroad. In some countries AID has asked us to assume responsibility for the entire agricultural development effort; in others we undertake particular areas of activity within the overall effort.

We have in the Department a surprisingly large share of the world supply of agricultural brain power -- some 45,000 skilled professionals -- agronomists, entomologists, agricultural economists, and geneticists. In addition, we work in concert with the land grant institutions when mobilizing the complement of skills needed for a particular job. More and more, the agricultural competence of the United States is being utilized in formulating agricultural policies and developing agricultural programs in the developing countries.

The World Bank is shifting more and more of its loans toward the agricultural sector of recipient countries. The Agency for International Development is sharply increasing its investment in agricultural development projects. The Food and Agricultural Organization of the United Nations is preparing an Indicative World Plan which will outline food needs over the next 15 years and describe what will be required to meet those needs.

But the efforts to win the War on Hunger cannot be limited to governments alone. "The War on Hunger," the President said, "is too big for governments alone. Victory cannot come unless businessmen, universities, foundations, voluntary agencies, and cooperatives join the battle."

This is true because there is, after all, the practical matter of money.

THE PRIVATE SECTOR'S ROLE

Investment capital, for the most part, comes not from government but from private business. So, too, is private business the most efficient and effective mobilizer and manager of technology and resources.

Confronted by the dilemma of relatively little remaining new land to till and a shortage of the inputs necessary to achieve significant yield take-offs in land already under cultivation, the developing nations must seek: 1. enlightened price policies to encourage their farmers to use the necessary inputs; 2. measures to encourage profitable investment by private business to develop resources and supply those agricultural inputs.

Recognizing the importance of enlisting private investment in the War on Hunger, the President has proposed the establishment

of an Office of Private Resources in the Agency for International Development which would concentrate on marshalling private investment and the expansion of private sectors in the developing world. The President has called this "the best long-term route to rapid growth."

Rapid economic growth by the developing countries promises the developed world a reciprocal benefit the dimensions of which have been largely overlooked. Our studies indicate that as incomes increase in these lands, their imports from us, including farm products, increase steadily. This is why I have frequently referred to the developing world as a "sleeping giant" of trade potential.

CONCLUSION

These, then, are the major weapons in the War on Hunger: self-help by the hungry nations, accelerated assistance by the entire community of developed nations, the gearing of individual governments and international organizations to facilitate assistance, and the encouragement of private investment in the developing lands.

Victory in this war promises us:

- * The satisfying discharge of our responsibility to the less-fortunate of the world.

- * The emancipation of mankind from the bonds of chronic hunger ... and the freeing of all men for the pursuit of self-identification and self-fulfillment.

* A nearing of that global security and serenity which can melt the final barriers between all nations and ensure a lasting peace.

I believe we can win the War on Hunger and build a better world by the Year 2000. I believe this because free men, historically, have had the will to make a better world. All they needed were the means.

And now they have them.

Winston Churchill once said: "In the past we have had a light which flickered, in the present we have a light which flames, and in the future there will be a light which shines over all the land and sea."

That light will shine over a better world than you and I have ever known.

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U.S. Department of Agriculture
Office of the Secretary

I want to welcome you this morning to this National Farm Policy Conference, for President Johnson, for myself, and for my colleagues in the Department of Agriculture. And it goes without saying that the Department of State welcomes you too by graciously lending us facilities that we do not have at USDA. In a very real sense it is not out of character for us to be here, for what happens in American agriculture becomes more important each year to the entire world.

Please bear with me for a few moments as I undertake the pleasant duty of launching this conference, which is one of the first of its kind. I'd like to make a brief opening statement, and then I'll turn the meeting over to you.

We did not ask you to come to Washington to listen to me, or to Under Secretary Schnittker here beside me, or to the Assistant Secretaries on the platform -- John Baker and George Mehren. We want to hear from you.

As I said in a year-end statement a month and a half ago, "1966 was a bench mark year for American agriculture that marked the end of one era and the beginning of another."

Opening statement by Secretary of Agriculture Orville L. Freeman at National Farm Policy Conference in Main Conference Room, Department of State, Washington, D.C., on February 20, 1967, at 9:30 a.m.

The year 1967 marks the dawn of a new era in American agriculture. The surpluses that all but suffocated us when I came to Washington in 1961 have been eliminated. And while disposing of those surpluses we were able to improve income. Now, with the Food and Agriculture Act of 1965, and Food for Freedom Program of 1966, we have the tools, if we can cooperate to use them wisely and prudently, to prevent another piling-up of surpluses in the future together with the downward pressure on the market that accompanies an oversupply of commodities.

This is a Policy Conference. It is timely, then, that we ask: What does the elimination of crop surpluses signify for the agricultural policy of the United States? It means -- it has meant, already -- that today there is less government intervention in agricultural affairs than at any time in the past 30 years. Today, farmers operating under commodity programs that are largely voluntary possess more freedom of choice than they have had since the early Triple-A days of the New Deal. Today, the market operates more freely than has been the case for three decades.

With virtually no Government stocks on hand, with resale policies securely insulating the market from the negligible supplies in CCC hands, the Government's role in the market has been sharply diminished. The market functions as it will, responding to private forces in the market place, recording dollars-and-cents variations as a consequence of supply and demand and quality conditions.

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Indeed, this is a new "ballgame" for American agriculture.

As the domestic scene has changed, so has that around the world. Global population is growing at the unprecedented rate of more than ~~one~~ million persons a week. At the same time, per capita demand is climbing steeply as the standard of living in most countries improves. As people earn more money, they insist upon more food, and better food. This means they consume more animal products ... and as a result the long-term demand for United States farm products will continue to grow. Today, feed grains is the number one dollar earner of all American exports including non-agricultural exports.

Twin forces -- more people and economic progress -- give us a basis for confidence that for the foreseeable future worldwide demand will increase for the products of American field and farm. A substantial part of that demand will for some time be concessional rather than commercial, which presents us with very special and sensitive problems. But the demand is there and the world somehow must meet it.

All these various factors the 89th Congress took into consideration, and after weighing them carefully said in effect to the United States Department of Agriculture and to the American farmer and related agribusiness institutions:

"Here, in the Food and Agriculture Act of 1965, is a four-year farm program. We have decided that, instead of changing the rules annually by passing new legislation each year as we have done in the past, you are to have the benefit of a consistent, predictable program of operation for four years.

(more)

Now it is up to you to make it work ... so that this country may continue to produce abundantly all the food and fiber it can use, to maintain its power and leadership and to bring to its producers a fair return commensurate with that of other segments of the American economy -- in other words, Parity of Income."

This is a challenge we now seek to meet. It is up to us to take advantage of the new opportunity that is ours, and so operate our programs that we will at the same time produce abundantly and reward our producers fairly. In the process we will need to be open-minded and pragmatic so we can operate our programs better as we gain more experience, and be prepared to improve and strengthen them at the right time.

All this will not be easy. As always in agriculture we are subject to many forces beyond our control. We are required to make decisions 18 months in advance to meet, but hopefully not exceed, anticipated demand. Worldwide growing conditions -- not just in Kansas, but in such far places as the Ukraine and India -- may upset our calculations. With more than 115 million acres in feedgrains in the U.S., a not unusual variation in yield of 6 bushels per acre would mean nearly 700 million bushels more or less in supply. Such temporary but price-depressing supply conditions constantly threaten farm prices and income. Weather is a great imponderable, but not the only one. The best plans may come undone because of pestilence, floods, economic or political upheaval -- because of all sorts of forces that make the modern-day world complex.

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At the same time the cost-price squeeze always threatens. Somehow we must continue the advance of farm price over farm cost that made 1966 a year of improvement in farm income. So far in this calendar year of 1967, production costs are nullifying income increases.

I repeat that it won't be easy to hold supply and demand in balance, produce abundantly, and obtain parity of income for the farmer. Nonetheless, in my best judgment, if we exercise all the wisdom and prudence that we have individually and collectively ... if we draw on lessons of the past ... if we strive together to apply those lessons to the future ... we can make our current system work effectively. We can meet our obligations to the American people and to the world. We can achieve a fair return for the American producer.

This is our mandate, as agricultural leaders. This is our opportunity, our responsibility. We must work together so this system will succeed.

I have asked you to come here today to consult with me as to how we can attain these goals. I earnestly solicit your advice and your counsel and guidance. This is your meeting. My associates and I are here with the sole objective of benefiting from your contribution to this free and open forum.

The press is with us today, and may be writing about your remarks, and filming and taping them, at any time.

Now with that formal introduction, allow me just a few minutes to detail the current situation with supporting charts which you will find in your information kit. Then we shall be pleased to hear from the first participant who raises his hand.

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My remarks today will be three-fold. First, a report on the new era in agriculture which the Nation is entering in this seventh decade of the 20th Century; second, a brief analysis of some of the largely-unrecognized forces that are causing urban-rural imbalance in our Nation; and, finally, a request that NRECA, which has done so much for America in the past, lead a sweeping rural renaissance to shape its future.

I last attended an NRECA convention in 1963 ... four years ago. Four years is a short time, scarcely a pause in one man's lifetime. Yet the world is a very different place. Great men have passed from the national scene; others have taken their places; great issues have been decided; new ones are fast upon us. And nowhere is this dizzying pace of change more evident than in agriculture.

1. A New Era in Agriculture

Agriculture is a very different industry today from what it was in 1963, or even a year ago. Witness with me the changed dimensions of this industry as it enters a new era in 1967:

Address by Secretary of Agriculture Orville L. Freeman to the annual meeting of the National Rural Electric Cooperative Association, Civic Auditorium, San Francisco, Calif., 3:30 p.m. (PST), February 22, 1967.

1. Food surpluses have disappeared, and an end to surpluses in cotton and tobacco is within our grasp. At long last we are able to produce for use, rather than for storage. Surpluses, other than temporary oversupplies caused by weather variation, can become a thing of the past as we rely increasingly on reserve acreage and improved technology instead of top-heavy stocks.

2. Farm income, both gross and net, has increased markedly. Last year gross farm income was the highest in history and national net farm income was the second highest. Net income per farm, also at the highest level in history, topped \$5,000 last year, up 70 percent from 1960.

3. Demand for agricultural products in the United States and the world is strong and will remain so for the foreseeable future. Exports during 1966 totaled some \$6.9 billion and will surpass \$7 billion this year.

4. The free market, much praised but little utilized during the fifties, is now freer of government controls than it has been in decades. The government, for all practical purposes, is out of the market.

5. The "graduation rate" of smaller farms into the "adequate-sized" category has accelerated in recent years. Since 1959, nearly 200,000 family farms graduated into the \$10,000-a-year or larger gross income class. The living standards of these farm families have risen accordingly.

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All of these items represent striking progress, of course. But having acknowledged the advances, let me also emphatically express my dissatisfaction with the fact that, despite the steady progress of the past six years, the farmer's income still lags behind that of other Americans.

On a per capita basis, the farmer's income is \$1,700. Other Americans average \$2,610 per capita.

Farm prices, though up last year, have been down the last few months, and today are less than the 1947-49 average. At the same time, food costs are 35 percent higher.

This the farmer bitterly resents -- and properly so.

This discrepancy must be corrected. It must be corrected because it is unfair to the farmer and therefore wrong. It must be corrected because if farmers don't get a fair return commensurate with the other segments of society, we will lose our best farmers. If that happens, the entire Nation, not just the farmer, will be hurt.

This Monday, some 400 farm, commodity and other leaders, representing more than 50 organizations, conferred with me in Washington on the ways and means to correct this discrepancy, to bring commercial agriculture further into the mainstream of American economic prosperity.

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President Johnson, describing himself whimsically as an "unsuccessful part-time rancher," met with these farm representatives at a White House luncheon, where he expressed once again his determination that this Nation should accomplish parity of income for its farmers.

Just before I left Washington late yesterday to fly to San Francisco, President Johnson telephoned to say he was so pleased with his meeting with farm leaders and so impressed by the Farm Policy Conference itself that he wants me to make it an annual event.

The President called the Conference "successful and constructive" and said he was impressed with the sincerity of the recommendations made by farm leaders who participated. He said he looks forward -- and certainly I look forward, as well -- to continuing the dialogue with farm and commodity leaders at this highest level.

The Presidential directive is in keeping with statements President Johnson made to farmers and ranchers attending the Conference. He told them: "I want to appeal to the farm industry in advance to give us your suggestions, your ideas, your counsel, and your patience."

His instructions to hold annual farm policy conferences will mean that all segments of farming and ranching and all commodity groups will be heard directly at the White House. At the same time, they will receive direct and up-to-date reports on what the Government is doing to carry out farm programs.

The Conference discussions were open. The comments and suggestions had the sound and the meaning and sincerity of the "grass roots." The President recognized this.

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The Department of Agriculture already has begun a careful study of the recommendations and proposals offered by farmers, livestock producers, and commodity groups at the Feb. 20 meeting.

I need not tell this audience that the President is also deeply interested in the supplemental financing program for rural electric and telephone cooperatives. Again this year this Administration is strongly supporting legislation to accomplish this purpose. We should not underestimate the difficulties of passing this legislation, given the present composition of the Congress and the powerful opposition to its enactment. But passage is vital if we are to continue the same wide-ranging, progressive rural electrification program that has meant so much to the development of this Nation in the past.

I shall not belabor this point, since it has been covered in such detail by previous speakers. Suffice it to say that rural electric cooperatives are being called upon to serve some 150,000 additional consumers each year. Rural power requirements will triple in another two decades. These needs, plus those of rural telephone cooperatives, will require an estimated \$11 billion in new capital during the next 15 years. This is more than double the amount provided in Congressional appropriations over the past

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15 years. I speak from hard-earned personal experience when I say that supplemental financing is the only way to obtain the bulk of this additional required capital. There is little or no likelihood that Congress will appropriate such vast sums for rural power.

2. The Face of the Future

So far, I have reported to you only on the status of agriculture, still the mainstay of economic life in rural America, still the most important single industry in our national life. I know that agriculture is a subject of prime interest to everyone in this hall, and the source of livelihood for many of you.

But I know also that members of NRECA, and for the most part, other residents of country and small-town America also are deeply concerned with the urgent need for accelerated rural development. You have proved this by past actions, in what Clyde Ellis calls "a continuing crusade for a better America."

Since 1961, rural electric and telephone systems have sponsored nearly 2,100 projects which created some 180,000 new jobs in rural America. To this extent, you have already shaped the future -- for if you had not acted to obtain these jobs in rural areas, there is little doubt that many, if not most of them, would have been gone to already-booming metropolitan areas, where most of the new jobs in the past decade have already landed.

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Let's take a closer look at this matter of new job locations in the United States, because doing so points up a fact that is too often overlooked.

Over the past 15 years, 13.6 million new jobs were created in the national economy. But during this same period, the population and the number of people holding jobs in rural America remained about the same. Now, obviously, new jobs were added to rural America -- you helped add many of them. But out the back door, rural America lost about an equal amount of jobs, so that the total number of jobs in areas classified "rural" remained almost the same.

And so, as a practical matter, those 13.6 million new jobs went to areas classed "urban" in the census.

The foregoing is merely one indicator of a deep-seated, chronic, and increasingly serious problem facing the entire Nation. It can be described as a rural America starved for opportunity; an urban America increasingly starved for open space. We have lost our urban-rural balance.

Let me give you another indicator. We all know that the country-to-city population shift has been going on for a long time. But few of us are aware just how far it has progressed. As of today, 70 percent of our population -- roughly 140 million out of 200 million Americans -- live on that 1 percent of the continental land mass classified as "urban." The other 60 million of us rattle around in the other 99 percent of the land classed as "rural."

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And as the old saying goes, "we ain't seen nothing yet." Mark the second hand on your watch ... now. Keep looking at it and mark again when 12 seconds have passed. Sometime in those 12 seconds another person was added to U.S. population.

The U.S. Census Bureau can predict with some accuracy future U.S. population trends. It has prepared four estimates, each dependent on different variables, ranging from a high estimate of 356 million Americans to a low of 280 million in the year 2000, just 33 years from now.

In previous talks on Agriculture/2000, a series exploring the future of rural America, we have relied on one of the more conservative estimates, 300 million -- which is 100 million more Americans than we have with us today.

To gain an insight of what this means, I hope you'll try a little experiment while you're in San Francisco. Go up to the Top of the Mark Hopkins, or the Fairmont, and look out over the city. You'll be gazing down on the Standard Metropolitan Statistical Area encompassing San Francisco, Oakland, and adjacent communities. You won't see all of it, but you'll see most, if the weather cooperates.

Multiply what you see by 33 times. Enough more Americans to populate 33 cities of this size will be with us in the Year 2000.

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And then, if you will, think this one over. According to present estimates, about 4 out of 5 of these new Americans will be settling in areas like the one you're looking at -- and other heavily urbanized areas -- and only 1 out of 5 will settle in predominantly rural areas.

By the turn of the century, if present trends continue unchecked, San Francisco will have become part of a super megalopolis stretching from here to the Mexican border, 500 miles to the south, and containing 40 million people. This strip city -- there will be 4 other strips like it -- will house 174 million Americans on urbanized land ranging in density from 660 to 2,600 people per square mile.

These five super-strip cities and other urbanized areas will be located on less than 9 percent of our land area. Residents will get up earlier, spend more time breathing their neighbors' car exhaust, and return home later. Superhighways and mass transit systems will soak up increasing amounts of urban land in a frantic race to keep the city mobile. If past trends are an indication, crimes of violence will increase as urban life becomes increasingly more depersonalized and hopeless for the disadvantaged.

Nor can we count with any certainty on being rescued by technology from such a reckless concentration of people, vehicles, and industry. The number of automobiles is increasing at a rate

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twice that of U.S. population. By the year 2000 we shall have an estimated 200 million cars in the U.S. -- nearly 3 times as many as today. With this many mobile pollution sources crowded into 9 percent of the land area, even the most stringent anti-pollution ordinances will do little more than preserve the status quo, if that. Pollutants produced by industry, sewage plants, and land development will increase apace.

This is one face of the future. It is a prediction, of course, and a prediction isn't necessarily a blueprint. But if this is the kind of America we want, then nothing additional needs to be done. This is the kind of America we'll have, given a continuation of present trends.

But the future is not immutable, not in America, not if you share the belief of that perceptive visitor to our shores, Alexis de Tocqueville, who observed, more than a century ago:

" ... in the (American's) eyes, what is not yet done is only what he has not yet attempted to do."

We can have another kind of an America, if we care enough: -- We can have an America of 300 million people living in less congestion than 200 million live in today, with new industry dotting rural America, providing the jobs where the people want to live.

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-- We can have an America with parity of opportunity -- in agriculture, in education, in community facilities and in jobs -- an accomplished fact.

This is the kind of America/2000 I believe in, and it's the kind you believe in, too. You have proved this by your actions in the past.

But if we want this, if we really want our population and the jobs to support them more widely dispersed over the land, then a decided and determined effort to modify the future is needed. This latter course of action is the one that the Secretary, and the Department, of Agriculture have been pursuing for six years now.

I shall not recite the accomplishments of this six years of effort. We started from zero in this whole field of building a viable rural economy, and suffice it to say, we have made some progress. Of prime importance, I think, is not so much what we have done, but what we have learned. Let me outline a few of the salient ideas I think are important in rural development.

Local Involvement

The first is local involvement, as trite and as self-evident as that sounds. With it, all things are possible. Without it, all of the Federal and State programs in the world can't help much. A community that doesn't want to be helped can't be helped. This is basic, and this local involvement is what our Rural Area Development

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committees and Technical Action Panels have been attempting, with varying degrees of success, to stimulate. I urge much more of such effort on your part. Local electric and telephone cooperatives are particularly well-equipped to provide the local leadership which is the key to building a new rural America.

The Larger Community

We could call the second basic thing we've discovered a "concept of the larger community." We've found that the formal political subdivisions of county, township and municipality are being replaced by functional boundaries determined in practice by the commuting distance to jobs, the availability of services within driving range and other factors relating to present-day transportation and communication. No one has decreed these larger boundaries. The people in rural areas have set them themselves by everyday use.

In practice, this concept reminds us that development efforts limited to the resources of one county, or one town, which do not take into account the larger functional community, fail to realize their full potential. Conversely, if the larger functional community is considered, exciting and meaningful development can be accomplished.

By combining resources, multi-county areas can compete with large metropolitan areas. They can hire the trained technical and planning people needed to combine their own resources with Federal and regional development programs to get quick but meaningful results.

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Facilities

Third, we've learned the value of community facilities. The REA, the NRECA and local cooperatives electrified the countryside. We knew, even back in the thirties, that electricity was a prerequisite for rural development. We've learned in the past few years that a safe, central source of water is just as important -- that community facilities, including cultural and recreation facilities, help get plants and jobs to rural areas, and that industry looks long and hard at local education and health facilities when they're making plant location decisions. And so the Department is doing its best to help provide the water and sewer systems and recreation facilities for rural areas, just as we continue with you the fight to get adequate power. At the same time, other Federal agencies are involved in helping local communities upgrade rural education.

The final thing we've learned, and the subject on which I shall devote the remainder of my time today, is this:

We have learned that the primary reason rural areas are lagging behind urban areas; the primary reason that we face the threat of an America/2000 of congested, clogged strip cities, is that we lack any widely-accepted national policy on rural-urban balance.

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Without such a policy, the issue of whether we want widespread dispersal of our people over available land or continuing enlargement and impaction of presently urbanized areas simply does not enter into the decision-making process of Federal, State, and local governments, or private industry.

Here's what lack of such a national policy means in cold, hard reality, and this is just one example:

A Department of Agriculture study undertaken several years ago showed that out of \$28 billion expended in prime military contracts, 23 percent went to one State alone, California. It is estimated that this public expenditure created some 1.2 million jobs in the State. During the following fiscal year, California received 60 percent of the \$6.3 billion Defense research and development funds. All this to one State alone, and within that State, the contracts went primarily to urban areas. During the same year the total amount of public monies expended for job creation in rural areas under the old Area Redevelopment Act was \$267 million -- or less than 1 percent of the amount expended on prime defense contracts that year.

This disparity, surprisingly, caused practically no public comment at the time, and has caused little comment since. It still exists.

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This is not to say that the only consideration in awarding contracts should be development of rural areas. But I do think it is legitimate to ask whether this kind of expenditure, while serving the national defense need, which is primary, might also be tooled up to serve the larger national interest at the same time. Consideration should be given to this.

Stating the problem, of course, is easier than solving it. But efforts are being made now to hammer out a national policy on urban-rural balance, and questions like these are being asked more and more frequently:

-- "What is a desirable maximum size for any one metropolitan area?"

-- What are the real social costs, ultimately borne by the taxpayers, of a continuing depopulation of rural areas and an increasing impaction of urban areas?

-- What can the private and public sectors do, working together, to answer the needs of a rural America starved for jobs, and an urban America starved for space?"

Questions like these are being asked not only by those traditionally concerned with rural development. They're being asked by urban observers, too. One such observer is author J. P. Lyford who, in his monumental study of the New York City slums, "The Airtight Cage," had this to say:

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"Why, for instance, must huge concentrations of unemployed and untrained human beings continue to pile up in financially unstable cities that no longer have the jobs, the housing, the educational opportunities, or any of the other prerequisites for a healthy and productive life? Why do we treat the consequences and ignore the causes of massive and purposeless migration to the city? Why are we not developing new uses for those rural areas that are rapidly becoming depopulated? Why do we still instinctively deal with urban and rural America as if they were separate, conflicting interests when in fact neither interest can be served independently of the other?"

As of today, these are questions without effective answers. As of today, no nationally-recognized, responsible and articulate organization or spokesman in the private sector of our national life is bringing these deep and fundamental issues before the public.

The Nation badly needs such a spokesman. It needs more: It needs a strong, resourceful, and effective national organization to support the passage and funding of programs in the U.S. Congress which will make a more rational balance of our population possible.

The NRECA is such an organization.

I know at this very hour you are engaged in a great and vital struggle to decide the future course of rural electrification.

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I know that your resources, great as they are, are already deeply committed in the course of this struggle.

But I urge you to commit yourselves even further -- to take on this additional assignment and to make the additional effort necessary to win.

You have the capacity, the leadership, and the know-how to do it.

You will find in rural America vast reservoirs of yet-untapped support for this new effort.

In tapping this support, you will win new allies for the battle in which you are presently engaged.

You should do it. You can do it.

You have electrified the countryside -- both literally and figuratively -- in the past.

I hope, and in the larger sense I know, that you will do no less in the future.

Thank you.

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THE NEED FOR RURAL-URBAN BALANCE

The historic argument over the relative advantages of city versus country life has gone on for centuries and is no nearer settlement today than it ever was.

Aristotle said people live in cities "in order to live the good life," and Plutarch said "the city is teacher of the man."

But our own William Penn countered this by saying, "The country life is to be preferred, for there we see the works of God -- but in cities little else but the works of man."

In the spring of 1966, opinion in the United States was equally divided. A Gallup Poll taken then revealed that half the people of this nation would like to live in the countryside...but only a third of them do.

What does this mean? It means that millions and millions of Americans cannot -- or at least believe they cannot -- live where they want to live because the means to earn a living there are so limited.

This is wrong. It is wrong sociologically. It is wrong psychologically. It is wrong economically. And it may even be morally wrong.

THE INVOLUNTARY IMBALANCE

Much of what I have to say today will be directed toward this involuntary population imbalance...and its ramifications.

Address by Secretary of Agriculture Orville L. Freeman at the Legislative Conference of the National Association of Counties, Sheraton Park Hotel, Washington, D. C. on February 27, 1967, at 10:15 a.m. EST

More than 70 percent of our people now live on only one percent of the total land area of this nation. At the time of the last census in 1960, urban areas averaged 3,113 people per square mile... and rural areas only 15.

By the turn of the new century, our population may reach the 300 million mark. This is impressive, but it shouldn't be frightening. The land area and resources of this nation can easily accommodate many more than that ... given a rational land and people balance.

But without that balance, what can we expect? We can expect 4 of every 5 Americans to be living in metropolitan areas, most of them crammed into five super strip cities.

These people will rise earlier to drive farther, will spend more time breathing car exhaust, and will return home later in the night. Superhighways and mass transit systems will eat up increasing amounts of urban land in the frantic race to keep the city mobile. Three times as many automobiles as crowd our streets and highways today will be contributing three times as much air pollutants. And the pollutants produced by industry, sewage plants and land development will be much greater -- and even more localized and concentrated.

Will it happen? It's happening. Each year another 3 million Americans pour into our cities. And with each incoming wave of humanity, a million more acres of fields, woods and hills near urban centers are inundated by asphalt, concrete, shopping centers and housing developments.

We know that millions of the people living in these huge metropolitan complexes did not want to move there ... and don't like to live there. Their pastoral instinct -- the hereditary craving for open space, green vistas, tranquility and closer communion with Nature -- is at constant war with the economic necessity which forces them to live in a world too often made up of smoke, smog, vulgarity, noise, congestion, strife, tension, crime and ugliness.

Earlier this month, scientists and scholars gathered at the Smithsonian Institution to exchange ideas and express their concern over the chaotic condition of man's environment.

Speaker after speaker pointed out the folly of overburdening one percent of the land with people and problems ... while wasting the beauty and the resources of the other 99 per cent.

Most appeared in agreement that this need not be ... that man has it within his means to ease the hostility between himself and his environment.

Technological advance, some said, should -- and can -- work to spread out the populace, for progress in communications and transportation has destroyed the old argument that industry and commerce must locate only in the larger cities.

But despite the effusive criticism of city environment, the slums, squalor and poverty there, no one suggested doing away with cities.

Instead, they recommended a number of means to rebuild existing cities and build brand new cities in places where open space, natural beauty and recreational opportunity are available in abundance.

Robert Adams said the cities have been the prime creative centers of learning, of the arts and philosophical ferment -- all the aspirations for a fuller life -- and observed:

"It would be tragic, as we contemplate the massive urban problems around us now, to lose sight of cities as the locus of this cumulative achievement. We must learn to approach problems of urban life through a succession of widening contexts that impose no artificial separation between industry and agriculture, between the needs of the cities and their supporting areas and hinterlands, and between policies of economic development and policies aimed at extending social integration."

But it remained for Dr. Paul Goodman to articulate this challenging idea:

Revive the countryside, he said, by using it to solve urban problems

This is the idea I want to discuss here today.

THE EXODUS

In 1790, 19 of every 20 Americans lived and worked in rural areas. It was not until 1920 that urban population caught up with rural population in this country.

The shift from rural to urban America began early in our history, but it was not until World War II that the exodus from the countryside assumed dramatic proportions. In the 10 years from 1940 to 1950, no less than 11 million Americans moved off the farms.

Since 1950, the rural population has remained at about 54 million people, but the farm segment of that population has continued to shrink and now makes up less than 25 percent of the total.

For many years, the movement from the land to the cities was voluntary. It was also a healthy trend, for the growth of the great urban centers was a key factor in the phenomenal economic development of this nation.

But then the pendulum overswung. The phenomenal technological advances made in agriculture, mining and timbering in the last 25 years sharply reduced the number of people needed in those occupations and in ancillary trades and greatly accelerated the migration from the countryside to the city.

There, ever-swelling numbers are smothering the cities' valiant efforts to fight themselves free of the endless problem of too many people for too little space.

At the same time, the exodus is leaving in its wake a decimated rural America ... a countryside bereft of opportunity and empty of people.

WHAT'S WRONG WITH RURAL AMERICA?

Much is right with rural America. The farm economy is healthier -- and freer -- than it has been in many years, and the future is brighter than ever.

And rural America has in abundance what urban America does without -- fresh air, clean water, space, peace and beauty.

But much is wrong with rural America, too.

Half of the nation's poor live there. More than half the people receiving old age assistance and a third of the families receiving aid to dependent children live outside urban counties.

Not only the rural population -- but the rural job force, too -- has remained constant since 1950. And this during a period when 13.6 million new jobs were being added to the nation's economy.

Underemployment in rural America is now equal to 2½ million man-years of unemployment.

But job starvation is but one of the problems. Country communities are short hospitals, clinics, doctors, dentists, classrooms, meeting halls, libraries, theatres, swimming pools, golf courses and many of the other things that make for the better life.

These communities will need two million more homes by 1972 ... and millions more must be repaired and improved in the next few years. At least 30,000 communities need improved water systems, and even more need better sewer systems.

In the face of these frustrations, millions flee to the cities. Some are gifted. They leave the countryside to seek new challenges for their spirit and ability. But many more are unwanted and untrained, shunted aside by the technological revolution on farms and in mines, unable to meet job demands in strange places ... or the victims of discrimination. They move to the city because they have no choice.

But in leaving behind a countryside barren of opportunity, many find only a ghetto barren of hope.

In a very real sense, the poverty problem of the cities is a problem transplanted from rural America, for the urban slums are peopled largely by displaced rural migrants who sought in vain to earn a living in the countryside and finally fled to the city in desperation.

This problem cannot be solved, then, until the outmigration from the country is slowed ... stopped ... and hopefully reversed. And this can only be done by bringing opportunity to the countryside.

Rural America has much to offer business and industry -- the providers of jobs. Many rural communities have excellent communications and transportation systems. Most have trainable labor forces. Some have adequate facilities. All have clean air, space to grow, modest land costs, a frank need for more jobs ... and an appreciation of them when they get them.

I know that your communities -- and the USDA's Rural Industrialization staff -- are working hard to sell business and industry on the advantages of rural location.

If we are successful in this sales campaign, we can stop the outmigration from the country. We can hold people there with new jobs and new hope. We can stop the brain drain and the leadership run-off. We can make it possible for the people who want to live in rural America to stay there or to move there.

There is economic, sociological and psychological justification of this effort. There is also moral justification. In his Peace on Earth encyclical, the late Pope John XXIII addressed himself to the matter in these words:

"We think it is most opportune that as far as possible employment should seek the worker, not vice versa. For then most citizens have an opportunity to increase their holdings without being forced to leave their native environment and seek a new home with many a heartache and adopt a new state of affairs and make new social contacts with other citizens."

We have, I believe, strong justification for seeking better rural-urban balance. What we need is a widely accepted national policy. We are moving in that direction.

WHAT HAS BEEN DONE

The President has made it emphatically clear that his determination

to win the War on Poverty and build the Great Society through creative federalism applies to rural as well as to urban America.

He has publicly recognized that the basic problem of the cities cannot be solved until the basic problem of the countryside is solved ... that the hostility between man and his environment must be eased, that the involuntary imbalance in rural-urban population must be righted, and that economic opportunity must be spread equitably across the breadth and depth of this land.

Again and again he has pointed out that creative federalism implies a responsible, working relationship between all levels of government and the private sector, and he has appealed for greater cooperation among all factions to accelerate and accentuate the impact of Great Society programs.

As it applies to the working relationship between the Department of Agriculture and the States, counties, and municipalities, creative federalism is not a new concept. Indeed, it has been a functioning reality for many, many years.

From the birth of the Cooperative State Research Service under the Hatch Act of 1887, to the start of the Extension Service under the Smith-Lever Act of 1914, to the Agricultural Stabilization and Conservation Service which grew out of the Soil Conservation and Domestic Act of 1936, to the beginnings of the Farmers Home Administration, there have been many cooperative arrangements between the USDA, the States, and local governments.

For more than 50 years, county governing bodies have cooperated in financing and conducting Extension programs with the USDA and Land Grant universities. In return, the Service helps you to develop the agriculture of your counties, assists non-farm people in applying information to a wide range of home and community needs, and works with the officers of local government on many kinds of projects to improve opportunity.

County governments are making a major contribution to local Soil and Water Conservation District programs. More than 100 counties are providing funds to accelerate soil survey work by the SCS. More than \$750,000 will be provided this year. County governments, too, are usually co-sponsors of small watershed projects. There are 801 such projects approved for operation and nearly 1,300 authorized for planning.

County governments are also co-sponsors of all Resource Conservation and Development Projects. There are 26 now underway, and most are multi-county projects. They involve 123 counties.

The National Forest System provides support for counties and local communities in many ways. Timber and other products are generally harvested and processed locally. The outdoor recreation resources provide relaxation for local people and attract tourists.

One-fourth of the receipts from the sale of timber, the grazing of livestock and various land uses is paid either directly to the counties or to the states to be used for the benefit of the counties for roads and schools. In the last 5 years these payments have totaled nearly \$170 million.

Our rural community services program involves the committing of USDA grants to finance comprehensive area plans for water and sewer systems in rural areas. This authorization was contained in legislation which passed the Congress in the fall of 1965 and is commonly referred to as the Aiken-Poage bill.

Your association supported this measure, and I know you have been keenly interested in seeing that comprehensive area plans for water and sewer systems are properly developed and that they take into account the county's best interests.

Since this program has been operating -- some 14 months now -- we have made 319 planning grants totaling \$3.6 million. County governments have received nearly all of the area planning grant funds that we have advanced, and not a single grant has been made to date to finance a plan encompassing less than a county in size.

From the very outset, we have recognized the impact that grants could have in preparing plans which affect the future development of rural areas. We intend to authorize no grants for comprehensive planning or for public facility systems until we are satisfied that they are consistent with your county development plans.

All of these cooperative projects and programs are helping lay the groundwork for growth, development, and that revitalization of rural America which can help solve the problems of the countryside .. and of the cities.

And we are doing more. This year, among other actions, the Farmers Home Administration will do the following for rural community improvements:

- * Provide \$435 million in rural housing loans for 48,000 families.
- * Provide \$33 million in loans under the War on Poverty programs to help 13,000 low-income families and some 390 cooperatives made up of low-income families.
- * Help finance some 200 community recreation centers in rural areas.
- * Finance \$304 million in loans and grants for construction or improvement of some 1,700 central water and waste disposal systems in rural areas.

To date, most of the efforts to conquer rural poverty and bring about a rural renaissance have been carried out along traditional lines through traditional programs.

But we realize full well that more than conventional thinking and more than traditional approaches are required to build the Great Society in the countryside.

The problems we are confronted with today are not the problems of a generation ago. They are not just urban problems or just rural problems. They are national problems demanding national attention and nation-wide attack.

NEW APPROACHES

New approaches are underway.

The President has directed me to "put the facilities of the Department of Agriculture's field offices at the disposal of all Federal agencies to assist them in making their programs effective in rural areas."

To do this, I assigned the Department's field "outreach" functions to the Farmers Home Administration. Technical Action Panels made up of representatives of USDA agencies and of other agencies engaged in education, health, welfare, and housing, are now operating in all 50 states and Puerto Rico ... and in some 3,000 rural counties.

These panels are responsible for working with members of county government and other rural community leaders to make certain rural people are aware of existing Federal programs and services.

They are there to help you people determine your eligibility for these programs and services ... and to help you get them if you are eligible.

THE MULTI-COUNTY CONCEPT

Much of the frustration, irritation and disappointment rural communities have experienced in attempting to obtain Federal Great Society programs and services can be attributed to ill-advised and inadequately prepared plans and applications.

Project applications can be more accurately prepared and more effectively presented when they are internally consistent with one another as part of a comprehensive plan for an area which usually includes more than one county.

Secretary Weaver and I have been developing a basis for continuing cooperation between our Departments to meet the needs of counties outside metropolitan areas for just this kind of joint, comprehensive planning. We are seeking a means whereby groups of counties that come together for planning purposes can obtain the assistance needed to acquire permanent planning capability to meet the over-all needs of the area -- countryside, town and small city.

Improved transportation and communications are enabling men to live and work in a new, and larger community -- one that is not limited to a narrow geographic area.

For example, in a six-county area hundreds of people may commute from five counties to jobs in one county. Another county in such a group may function to provide nearly all the recreational activity for the area. One small city may be the primary service center for some of the counties and another serves the other counties. Not only do commuters travel there for jobs, but they also go there for shopping, medical care, and any one of a dozen or so other purposes.

What is needed is a mechanism by which counties can, as a group, bring resources jointly to bear on their development potentials and on their particular goals and objectives.

A variety of measures dealing with such matters as transportation, power, resources and facilities development, health and education must be brought together in a viable program to raise the entire area's economic potential.

Servicing these objectives through multi-county organization will make it possible to divide the costs of a diversity of required services and to achieve the economies of a large service investment for development.

As of this moment, rural areas are without the program strategy to involve themselves with the constructive role that needs to be played by this multi-county system.

To introduce this strategy, we had proposed the Community Development District Act which failed in the 1966 Congress. Your organization gave welcome support to this proposal a year ago. I earnestly hope your support of the multi-county planning concept will continue.

As provided in Executive Orders issued by the President, Secretary Weaver and I will continue our efforts to develop an effective method to meet this need.

CONCLUSION

I hope what I have said today encourages you that there are, indeed, many potent weapons to use in the War on Rural Poverty ... that they are being brought to bear in ever-increasing number and firepower ... that even more weapons -- multi-county planning, more equitable geographic distribution of Federal establishments and defense contracts -- are being studied ... and that the greatest weapon of all remains the creative relationship between such federal establishments as the USDA and such organizations as your own National Association of Counties.

The problems of today are too pressing for the pettiness of provincialism. In a very real sense, there no longer is a rural or an urban America. It is one America. With one set of interlocking problems.

It was Emerson who said: "The true test of civilization is not the census, nor the size of cities, nor the crops -- no, but the kind of man the country turns out."

The right kind of America -- the kind of America where the hostility between man and his environment has been eased, where people can afford to live where they want to live, where city and countryside benefit alike from the same programs and services -- will turn out the right kind of man from every part of the country.

Thank you.

U. S. Department of Agriculture
Office of the Secretary

Here in the Sooner State the spirit of Will Rogers still lives, although he has been gone from us for more than 30 years.

I have often asked myself why this man made such an impact on all of us. I suspect that it's because Will Rogers continues to recall for us the frontier experience of meeting and enduring hardship, and doing it with grace and wit and, ultimately, success.

Will Rogers still is close to us in Washington. The Congress was his favorite subject and he especially liked to direct his kindly wit toward the House of Representatives.

On one occasion when he was in the Capitol Building, he noticed the statue of the great Cherokee scholar, Sequoya. His guide pointed out that Oklahoma -- like each of the other states -- was entitled to have statues of two of its sons in the hall, but that so far, Oklahoma had placed only one.

Someone then said: "Mr. Rogers, perhaps your statue will be here someday."

Will answered: "Well, if they ever put my statue in here, stand me where I can keep my eye on the House of Representatives."

And later on, that's just what they did. Will Rogers' statue stands today facing the door to the House Chamber. He's keeping his eye on the House of Representatives.

Address by Secretary of Agriculture Orville L. Freeman at the 65th Convention of the National Farmers Union, Oklahoma City, Oklahoma, Tuesday, March 14, 1967, at 8 p.m.

If Will Rogers were alive today, he would be pleased to know that another great Oklahoman, Carl Albert, also is keeping his eye on that Chamber -- as House Majority Leader.

Will Rogers helped us through some dark times in the early 1930's. He was especially concerned about the condition of farmers. If he were around today, he would find a vastly different agriculture -- and a vastly more hopeful future for farmers.

Not everything we might have wished for agriculture has been accomplished, of course. But much has been achieved, and we are still working hard to improve. One of the tremendous forces in these accomplishments has been the National Farmers Union and the succession of great leaders you have been blessed with over the past 65 years.

Sixty-five years young -- but always the forward look, the positive look, the positive action, the dynamic approach. That's been the National Farmers Union for two-thirds of a century. It is for this reason, especially, that I am pleased to have a part in your program once again -- just as I have six times before, and as I did a half dozen times before that at your state conventions in Minnesota.

In six years-- together -- we have worked a change in farm policy and farm programs greater than any since the early New Deal. We have removed the surplus and subsidy label once so firmly pinned to the farmer.

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We have seen a basic shift in the supply-demand balance for the key farm products. We have enjoyed the result -- better income. We turned an important corner this year and pointed our production goals up instead of down for the first time in many years.

Many of these changes have become apparent only in the past 12 months -- since we last met in Denver. But they have been on the horizon since 1961. You had a hand in all of this progress, and it is fitting we discuss it tonight.

But before we consider program directions, I want it on the record, loud and clear, that I am still dissatisfied and unhappy about farm prices and farm income. Farm income is far too low. I won't be satisfied until per capita farm income, now at \$1,731, has climbed to non-farm levels, presently at \$2,618 per capita.

It is unhealthy to allow such an unfair, uneconomic condition to continue. If we fail to achieve the parity of income that the farmer is entitled to earn, we will lose our best farmers, and this nation and a hungry world will suffer. I pledge to you that I will not quit fighting until we reach our goal -- until parity of income for the adequate -sized American family farm is a reality.

I believe we can reach parity of income. We can even do it in this decade. Please note that I say "can" -- not that we are certain to do so. But I am encouraged, for our progress has been real. As

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Ed Christianson pointed out at the Farm Policy Conference last month, 1966 was a good year for American agriculture. Gross farm income reached \$49.5 billion -- an all-time high. Net farm income at \$16.3 billion was also the highest in history except for the post-war year of 1947. And net income per farm averaged \$5,024 -- up 70 percent over 1960 and the highest in history.

This progress shows what we can do. National Farmers Union had a big hand in it. It would not have been possible without the five major commodity laws enacted with your support since 1960.

The elimination of surpluses and improvement in farm income show that our programs are working. The results built new public confidence in our programs. This new confidence is vital -- for the public, in 1960, was ready to throw all farm programs in the ash can.

If we make as much progress in the final few years of this decade as we have in the past six, we will be close to our parity of income goal.

This year of 1967 marks the dawn of a new era in American agriculture.

The surpluses that all but suffocated us when I come to Washington in 1961 have been eliminated.

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With virtually no government stocks on hand, with resale policies securely insulating the market from the small supplies in CCC hands, the government's role in the market is sharply diminished.

Farmers, operating under largely-voluntary commodity programs, today possess more freedom of choice than they have had since the early Triple-A days of the New Deal.

We have a four year program. In effect, we are operating under this mandate from the Congress: "Instead of changing programs each year, we enacted a four year program. Now that you have the stability you asked for, it's up to you to make it work."

All this means a new ball game for American agriculture.

With agriculture in such an historic period of transition, it is important to analyze carefully where we go from here.

The general public is more aware of the farm and food economy than for many years, both domestically and overseas. There is a greater realization that behind our abundance stands -- not a factory or a machine -- but a man and his family who farm the land, sustain the nation, and ask in return only the chance to share fairly in the nation's prosperity.

In recent weeks, we have tried to bring a maximum of agricultural wisdom to bear on the question of -- "What's Ahead" and "Where Do We Go From Here"?

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That was the purpose of last month's National Farm Policy Conference in Washington, to which National Farmers Union contributed so much.

The Conference concerned itself with choice -- and fortunately, we live in a nation where people do have a choice, one in which popular attitudes and beliefs result in political action and public decision. This is an era in which we all have an opportunity to define alternatives and influence discussion.

Tonight, I would like to spell out what seems to be the broad alternatives available to us in future agricultural policy. There are an infinite variety of opinions on the detailed workings of programs. There are differing judgments on who should administer the programs, and how. But it seems to me that, when we lay out the broad essentials of policy, there are really only three broad alternatives when farm legislation comes up for consideration again in 1969.

The first is a combination of voluntary and mandatory programs to hold supply in line with demand thereby achieving fair prices in the market place.

This is what we have now. We are getting positive and measurable results with this approach. Our income is higher, and we will see still

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further improvement. We have made good progress in balancing supplies with need in grain, cotton, and tobacco. We have boosted farm exports consistently and sharply.

To keep our farm prices competitive in world markets -- so that we can build foreign markets rather than lose them -- and to provide the incentives to keep production in line with demand, Congress provided a system of direct payments to farmers. In effect, farmers rent some of their land to the government, in the national interest, when surpluses threaten. In this way, American farmers can tailor-make their output, meet world competition in terms of market price -- yet continue to move toward parity returns.

With this voluntary approach, farmers have a maximum of choice in their farming decisions, and the market has a maximum role in determining prices. The market is more independent of government pricing now than in more than 30 years and we're able to maintain a small reserve of productive capacity without demoralizing farm markets and farm income.

The primary alternative to present programs is "no program at all".

The President of another national farm organization pledged his assistance to this end at the recent Farm Policy Conference. I believe that this alternative is a very real possibility -- especially if we fail to develop unity and understanding among farm people themselves.

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This is an ever present risk -- not just one we face only in 1969. True, we are in only the second year of the four-year authorizations passed in 1965. But the laws are always susceptible to crippling amendments, and they can also be destroyed by withholding appropriations.

But the key date is probably just two years from now, when Congress will decide:

- * to continue and improve programs of the type we have now;
- * to alter them in basic ways;
- * or to get rid of the programs altogether.

Two years is a very short time.

There is no question that the commodity programs will be under severe attack at that time -- and between now and then. Already, many columnists and others have suggested that the Congress abolish the programs "because the surpluses are gone."

They overlook the key fact that supplies are down to manageable size largely because of the programs. They ignore the fact that in a free-for-all farm economy the hungry nations represent no market at all because they lack the money to buy. They ignore the fact that this nation continues to have a capacity to produce substantially more than effective demand. This excess capacity may not be with us forever, but it remains a real threat to farm prosperity for the years immediately ahead.

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With these misunderstandings in mind, I asked Walter Wilcox, the distinguished economist of the Library of Congress, now the Department's Director of Agricultural Economics, for a new study on commodity programs in the years immediately ahead.

He and his associates, after consultations with leading economists at a number of universities, concluded that in the absence of adjustment and price support programs, rising production would drive prices down rapidly. By 1970, corn would fall to around 70 cents a bushel, cotton to 18 or 20 cents a pound. Soybean prices would probably drop to around \$1.90 to \$2.00 a bushel. Wheat would fall to about \$1.00 to \$1.10 per bushel.

Within a year or two, livestock supplies would also overburden the market and prices would fall. Prices would drop most heavily in hogs and poultry, less in dairy, with the effect on beef prices somewhere in between.

By 1970 the decline in the price level for livestock would be almost 10 percent. The overall price level for crops would decline more than 20 percent, but farm production expenses would continue to rise.

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Without programs, net farm income might well fall by one-third, some \$5 billion below the 1966 figure of \$16.3 billion, or back to about 1957 levels.

In short, farmers would lose all of the income gains of a decade -- and then some! Coupled with this would be the decline in farmers' net worth from dropping land values.

Earlier studies indicated that if commodity programs were abolished, farmers' net income would go down by about 50 percent. The new study predicts roughly a 30 percent decline. The difference between those "potentials for disaster" is in the fact that carryovers have been largely eliminated, and that our exports are establishing new records each year. If programs had been eliminated while those large stocks overhung the market, the magnitude of disaster would have been even worse than it would be now.

But I am sure everyone here agrees that a one-third drop in net income would be more than sufficient to close up the average family farm.

I repeat that this careful study -- prepared with the advice and counsel of nationally recognized economists at nine major universities -- indicates that the commodity programs will be needed if we are to continue our traditional system of family farming and move on toward a parity of income in the years immediately ahead.

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A third alternative is high price supports and mandatory programs.

With this approach, the Government would guarantee high price supports all the way up and down the line -- but with strict controls on bushels, bales, and poundage, rather than an acreage basis. The government could not long maintain a system of rigid high price supports without such controls -- and at the same time avoid surpluses, high costs to the Treasury, and a certain demise for farm programs at the end of the road.

With mandatory programs, the government would be more deeply involved in agriculture and in market and commodity management than it is now.

Mandatory programs might work very well in maintaining farm income and in holding supplies in balance. But in order to sell overseas, we would again require large export subsidies. Even so, the cost to the Treasury of well-designed mandatory programs would be less than the present largely voluntary programs.

However, in order for mandatory, high-support programs to work -- or even to be put into effect -- they would have to have the support of farmers and the Congress, a support heretofore lacking.

In 1962, Congress rejected legislation that would have provided mandatory programs for feed grains. And in the 1963 referendum, wheat growers sharply rejected the mandatory wheat certificate program that

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Congress had passed. There is no reason to believe the Congress is more receptive now than it was then.

To sum up, then, these are the choices open to us:

- * A continuation of voluntary programs with price supports at realistic levels near the world market and direct payments to farmers who cooperate by taking land out of production when oversupply threatens,
- * A termination of commodity programs, or
- * Mandatory programs with strict Government controls on marketings.

We have to make a choice by 1969, and may be forced to fight for our choice at any time.

We are making progress in the course we are on. At the same time, the Secretary of Agriculture and many farmers are worried about the future. Sincere and searching questions are being raised.

Should we continue to perfect and improve upon what we have? Can we continue to improve farm income with current voluntary programs? Why have farm prices dropped each month for the last six months until today they are 9 percent below where they were 20 years ago? Can we overcome the cost-price squeeze? Should we instead move toward higher price support levels -- recognizing that this would involve mandatory programs with a good deal of government control? Will farmers support tight controls?

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Or should we be prepared to accept a termination of the programs and go it alone in the free market?

Whatever course we follow in the future, the fact is that in 1967 we have a law to administer and programs to carry out. All of us, whether we like the programs or not, have a duty to carry them forward as well as we can -- to seek ways of making them more effective in meeting their objectives.

Our mutual opportunity is to make these programs work to strengthen farm income. There are things the Farmers Union can do. There are things the USDA can do. There are things we can do together.

I have been deeply concerned with the decline of farm prices in recent months. The Department of Agriculture has taken these actions, among others, to continue our progress in improving farm income:

- * Price support rates on feed grains were increased by 5 percent for 1967. The upward adjustment in farm yields will have the effect of making price support payments 4 percent higher than without the yield adjustment.

- * Last year's increases in dairy support price from \$3.24 to \$4.00 have been continued through March 1968. Farmers will receive more for manufacturing milk in 1967 than they did in 1966 because of the higher support price. Government purchases of dairy products in recent months have been above a year earlier. Butter is back in the School Lunch Program.

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We are preparing to take action to deal with the recent sharp increase in dairy imports.

- * CCC sales prices for grain are now at least 15 percent above support levels, and sales are virtually suspended since stocks are low.
- * The Department has acted within recent weeks to make soybeans from the 1966 crop eligible for resale, and to raise the minimum at which CCC will sell any soybeans it acquires. Price support on soybeans is now at \$2.50, compared with \$1.80 in 1960.
- * We look forward to a second successful year under the new cotton program. Farmer income under the 1966 program was about 25 percent above what it would have been had the 1965 program remained in effect. Meanwhile, surpluses are being cut by 5 million bales in one year. The future for cotton farmers is much brighter than it has been for a long time. We are, of course, concerned about the recent increase in textile imports. That question is getting a great deal of attention.
- * The Department is stepping up purchases of meat this spring, following a pattern which was so effective in 1964, when cattle prices were low. We are reactivating the purchase program for Choice beef roasts and ground beef to buy ahead for future use. We are extending purchases of canned chopped

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meat -- which normally would have come to an end last month -- for the same reasons. Since March 1, we have bought 7.2 million pounds of chopped meat for \$3.1 million -- with new offers being received this week.

* For rice growers, the Department again announced a temporary increase of 10 percent in the national rice acreage allotment in 1967.

Wheat prices are off from the speculative high of last summer and fall. But wheat prices still are running well above last year and far above the 1966 loan rate. Cash receipts for the 1966-67 (July 1) marketing year are expected to be the highest in 20 years.

Returns per bushel of 1966 crop wheat will average about \$2.13 -- that's market price plus certificate payments on 500 million bushels. Wheat farmers in Canada received an average (in U.S. dollars) of about \$1.60 last year and will get just a little more this year through higher world market prices.

USDA will continue to seize every opportunity to improve farm prices. Operating as we are in a reasonably-balanced market, we are geared up to use of Section 32 purchases, P.L. 480 purchases, and various marketing helps as effectively as possible to strengthen prices.

We will continue to move aggressively in building farm exports, which in this marketing year will set a new record for the third straight year -- around \$7.1 billion. At least \$5.5 billion of that will be for

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dollars. This is a new record as well, and one which is all-too-often overlooked when we're discussing farm income and what the Department is doing to improve it.

A decade ago, domestic farm policy was largely out of tune with exports -- and our exports showed it. One of the important changes since 1960 has been to design and administer wheat, feed grain, and cotton programs to encourage a maximum flow into world trade.

We are pursuing overseas markets through unprecedented development efforts involving both Government and private enterprise. We are negotiating vigorously to get access to markets closed to us by tariffs and trade restrictions.

During the past fiscal year we exported the produce of one acre out of every four harvested ... over 60 percent of our wheat ... the equivalent of 47 percent of our cash receipts from the feed grains ... 42 percent of our soybean and bean-equivalent-of-oil, 20 percent of our cotton. We now have some 37 percent of the world wheat trade ... almost half the world feed grain trade and over 90 percent of the world soybean trade.

None of this happened in a vacuum. Without it ... without this giant, \$7 billion market that American farmers have tapped, farm income would suffer severely. So let's not overlook it, and let's take a cold, hard, look at any domestic farm proposals which would have the effect of crippling our race for this market.

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Expansion of this export market, along with the domestic price support, adjustment, and purchase programs, is a basic Administration effort on behalf of American farmers.

These are some of the things USDA and this Administration are doing to bolster farm income. In the few minutes remaining, permit me to turn this around a little and ask you what you are doing to insure the best possible results from the program the Farmers Union fought so hard to enact.

I urge the National Farmers Union and other farm organizations to ask themselves whether they can do more to help farmers, and to help farmers help themselves.

I urge you to ask yourself the question: "How can the National Farmers Union -- and your state organizations -- do more to advise your members on marketing?"

Can you do more to interest farmers in their cooperatives and to help those co-ops build greater bargaining power? Farmers need it, and never before has this idea been so well accepted by the general public as it is today. Certainly the Department of Agriculture is supporting the co-op concept vigorously through strengthening the Farmer Cooperative Service.

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But the important question is whether farmers themselves are willing and able to make strong use of cooperatives. Government can help. The leadership of the National Farmers Union can help. But no one can grant cooperative bargaining power to farmers. They must win it.

The first question for your cooperatives to ask themselves and their members is this: What do you really want, and how strongly do you want it? Do you really want bargaining power -- and are you willing to go all the way in doing what it takes to get it? For example, are you ready to own your own packing plant, your own canning operation, your own marketing facility -- if that's what it takes to obtain bargaining power capable of standing up to the major companies with whom you deal?

Have your cooperatives gone far enough in examining the marketing system for each of their products -- so that they really know where the power is? Who and what determine prices? Where are the margins -- and how much are they? These are key questions.

Are your cooperatives geared up for the agriculture of the 1970's? Are they up to the task in the years ahead? How about taking a hard look at the old bargaining techniques and asking ourselves if these are adequate for the future? Many farmers may feel they can accomplish more by owning their own packing and processing plants, merchandising facilities, and their own brand names. If so -- the choice is theirs.

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Farmers have power -- if they act together. What can be done to awaken your members and their neighbors to the effectiveness of joint action? Half measures won't do. Casual attitudes won't do. If farmers are to win for themselves real bargaining power in relation to meat packers, food chains, and processing companies they must be willing to move aggressively and in unison.

The National Commission on Food Marketing pointed out that: "Farmers do not yet fully appreciate the importance of cooperative action in marketing their products." We must make sure they do.

The times call for boldness in planning. They call for new ideas. They call for aggressive action to get every co-op member to take an active role in the business of his organization. Members must be prepared to accept a higher degree of self-discipline in marketing in order to put greater bargaining strength in the hands of their co-ops.

The truth is that we are in a new era in American agriculture. The challenge is clear. Now that we have the tools to prevent surpluses, can we reach parity of income for the farmer in a market economy supplemented by payment programs? It is still too early to answer that question. We have made progress. But we are worried about recent price drops. We are all inclined to be a bit nervous and jumpy. After all, farmers have not had much recent experience in a market relieved of the pressure of surpluses.

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No one can be sure what will happen. We all have a lot to learn. What we all need to do is to combine new-fashioned ideas with a little old-fashioned missionary zeal -- a little "Farmers Union spirit."

The National Farmers Union has this zeal in abundant quantities. On the national scene, your organization has been a prime mover in getting the kind of agricultural programs that farmers need to succeed. Within your own organization this zeal has built a giant potash development on the plains of Carlsbad. Your members form the solid core of a score of giant supply and marketing cooperatives.

You have the organization, the spirit, the leadership and the membership to make our programs work, and to improve upon them in the future. That is our challenge, that is our goal. I know we can do it.

Thank you.

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Statement of Orville L. Freeman, Secretary of Agriculture
Before the Committee on Agriculture
U. S. House of Representatives, Wednesday, March 15, 1967

Mr. Chairman, Members of the Committee:

I am happy to appear here to discuss two proposals related to the Food Stamp and the Child Nutrition programs now pending before this Committee.

It is appropriate that they be considered together because each represents a facet of the efforts this Committee has long made to improve nutrition in this country and to strengthen our domestic agriculture. The Food Stamp Act -- which we propose be authorized now as a permanent program -- is designed to improve nutrition for the family at home; the proposed amendment to the Child Nutrition Act would fill a gap which now exists in providing food service for needy children in group activities away from home.

This Committee has done a remarkable pioneering job in the evolution of our thinking and programming to assure all Americans of physical and financial access to good nutrition. Let's look at the record --

*** In 1946, the National School Lunch Act

*** In 1954, the Special Milk Program

*** In 1964, the Food Stamp Act

*** In 1966, the Child Nutrition Act

This is a solid, substantial record of which this Committee can be proud.

I would like first to discuss the proposal to extend the authority for the appropriation of funds for the food stamp program. In so doing, I want to report to this Committee on the progress of the program since August of 1964 when the Food Stamp Act was passed.

You will recall that the 1964 food stamp legislation provided authority for appropriations only through the fiscal year 1967. H.R. 1318 amends section 16 of the Act to provide authority for the Congress to appropriate funds for the program for 1968 and subsequent fiscal years. Thus, prompt action is necessary--if the program is to be continued beyond June of this year.

Mr. Chairman--as you and a number of the members of the Committee recall--a careful three-year test of the Food Stamp Program was undertaken by the Department prior to the passage of the Food Stamp Act. At the time the Act was passed, this test--or pilot--program was operating in 43 areas in 22 States.

The test was designed to determine the effectiveness of the food stamp approach in improving the nutrition of low-income families. The test did demonstrate the effectiveness of the food stamp approach-- (1) in improving the diets of low-income families; (2) in increasing retail food sales; (3) expanding farm markets, and (4) in stimulating the economy of the communities in which it operates.

We believe that the continued effectiveness of the Food Stamp Program stems from four basic principles underlying the Food Stamp Act. These are:

First, the program is a voluntary one on the part of the States and localities. This means that, when requesting the program, the States and localities believe the program will meet their needs and, therefore, are prepared to give the program the financial and other support the program must have--if it is to be successful.

Second, its expansion has followed the gradual progressive pace contemplated by the Congress. This concept of progressive annual expansion

has meant that both the Department and cooperating State welfare agencies have had time to gain the experience and build the kind of administrative organization that are essential to effective and prudent program administration.

Third, the Department has continued to exercise close supervision and direction--an element that our pilot experience convinced us was essential to the success of the program.

Fourth, the design of the program assures that the Federal assistance provided to participating families is used to buy more and better food. It also assures that the program will not be used as a substitute for State and local responsibilities for general welfare programs for the poor.

Mr. Chairman, I would like to expand upon this fourth principle--because it goes to the heart of the Food Stamp Program.

For the average American family, food is a bargain-- with that family spending less than 20 percent of its income for food. But, low-income families spend a much larger percentage of their income for food--many in excess of 50 percent of their income. Yet, poor families cannot afford all the food they need for good health. They need more fruits and vegetables and more livestock products, for example. And this latter need, of course, means that these families could utilize more grain products--in the form of meat, milk and other dairy products, and poultry.

The Food Stamp Program is designed to overcome the financial limitations to better diets on the part of our low-income families. Under it, eligible families exchange the amount of money they would normally spend for food for an allotment of food coupons worth more. They then use the coupons--as they would use cash--to buy more and better food at local grocery stores.

Food stamp families cannot purchase (1) tobacco or (2) alcoholic beverages with the food coupons. And, coupons cannot be used for (3) any imported foods that retain their identity as an imported food in the retail food store.

We refer to the sums the participating families invest in the program as the coupon purchase requirement. It represents the amounts of money eligible families would have spent for food in the absence of the Food Stamp Program.

On the average, the family's investment in the program represents about ~~64~~ percent of the total value of the coupons they receive each month. The value of the coupons they receive free averages about \$6.00 per person per month. But this ratio would vary for each individual family. The very poorest families would, for example, invest about \$2.00 per person per month. In return, they would receive about \$10.00 worth of coupons a month -- for each member of the family.

Because of the coupon purchase requirement, food stamp families are required to continue to spend a substantial percentage of their income for food. The Program will not permit them to divert some of their food dollars to meet their non-food needs -- that may be equally pressing needs. Other approaches and other programs must be used to help the low-income families with these other needs. The stamp program only helps them to buy more and better food.

Quite frankly, the acceptance of the Food Stamp Program by the States and localities has exceeded the optimistic expectations we had at the time the Food Stamp Act was passed. We then felt that -- based upon our experience under the direct donation program for needy families -- about 50 percent of the some 3,000 counties in the country would eventually want to participate in the program. But, we are finding that many localities -- that previously

did not request to participate in direct distribution -- have asked to be included in the Food Stamp Program. Of the some 870 areas the States have now scheduled to be operating stamp programs by the end of this fiscal year, 249, or 29 percent, were not previously participating in the Commodity Distribution Program.

Mr. Chairman, there is attached to my statement a table which shows the progress we have made under the Food Stamp Program since the Act was signed in August of 1964. I am also submitting for the record program data for each of the 589 project areas that were in operation in January 1967.

- When the Act was passed in August 1964, about 351,000 persons were participating in the 43 pilot areas located in 22 States.
- In January of this year, the program was operating in 589 areas in 41 States and the District of Columbia, with 1.4 million participants.
- By the end of this fiscal year, the States are now scheduled to open 286 additional areas. If the States adhere to their schedules--by the end of June--the program will be operating in 875 areas, with about 2.0 million participants. One additional State--Massachusetts--is scheduled to open its first project by the end of the fiscal year.

I believe the Committee would be interested in knowing something about the general characteristics of these 875 areas.

- About 40 percent of the population of the country--based upon 1960 Census data--resides in these 875 areas.
- 609 of these areas, 70 percent, had more than half of their population classified as rural people under the 1960 Census.

--- A total of 116 of these areas are included in the list of the 300 poorest counties in the country--as measured by the per capita income of the county.

--- About 2.5 percent of the total population of these areas will participate in the Food Stamp Program. But in some of the lowest income counties, up to 25 percent of the county's population was benefiting from the Food Stamp Program in January of this year.

H. R. 1318 will authorize the continuation of the program beyond June of this year by providing appropriation authorities for fiscal year 1968 and later years. With this amendment, we would plan to continue to progressively expand the program to all areas within the country that request to participate.

I might, at this point, briefly touch on the division of administrative authorities under the Food Stamp Act. The States--acting through the State agency which administers the Federally-aided public assistance programs--is responsible for the certification of applicant households and for the sale and issuance of the food coupons. The Department--through our Consumer and Marketing Service--is directly responsible for the supervision of participating retailers and wholesalers.

The State welfare agency--through its local counterpart offices--must assume responsibility for the certification of households. The Act requires that these certification functions be carried out under the same general procedures and merit-system personnel standards used in the certification of recipients of public assistance.

More flexibility is provided to the State welfare agency in connection with the sale of the food coupons. It may elect to sell the coupons through

its own local offices; it may delegate this responsibility to the local government; or it may hire banks to sell the coupons. In each case, however, the sales function must be carried out in accordance with the careful accountability controls that have been established by our Consumer and Marketing Service.

In connection with the participation of retailers and wholesalers, we follow the principle of voluntary participation. But, we do find that virtually all retailers elect to participate. In January of this year, a total of 51,900 retail food stores were authorized to accept food coupons.

We have received the finest cooperation from food retailers and wholesalers. And, they have been high in their praise of the program and its lack of complications. More importantly, retailer compliance with the restrictions on the acceptance of the coupons has been at a very satisfactory level.

Where we do find a retailer has willfully disregarded program regulations, we use the authorities in the Act to disqualify the store. Since the Act was passed in 1964, we have found it necessary to disqualify only 57 stores--for periods ranging from 30 days to one year. Another 189 firms received an official warning letter because of the minor nature of the violations. Another 239 stores--for which an investigation was undertaken because there was evidence that indicated possible violations--were found to be free of violations.

Finally, Mr. Chairman, we wish to acknowledge the excellent cooperation of the commercial banking system. Retailers and wholesalers redeem the coupons they accept from the families at commercial banks in their own community. The commercial banks receive no payment from the Federal Government for this service.

We believe the principles and operating guidelines the Congress incorporated into the Food Stamp Act of 1964 have stood the test of time. Further, we believe the Congress also provided sufficient flexibility--within those program principles and guidelines--for the Department to develop the detailed operating procedures. This flexibility permits us to adjust program specifics as State and local conditions warrant. Therefore, the Department recommends that the Food Stamp Act continue without change--except for the extension of appropriation authorities.

When the President approved the Food Stamp Act in 1964, he said, in part: "I believe the Food Stamp Act weds the best of the humanitarian instincts of the American people with the best of the free enterprise system." He went on to say that he felt the Act was a realistic and responsible step forward toward the fuller and wiser use of our agricultural abundance.

Mr. Chairman, I believe that the program has lived up to those expectations. And, I believe a solid base has been laid for further progress in the immediate years ahead.

Now I would like to turn to a discussion of the proposed amendment to the Child Nutrition Act under consideration today. We need this legislation to round out our capability of improving child nutrition through group food service. I urge your support for this addition to the legislative framework that has been carefully built over a period of many years. The amendment is designed so that we may assist the States in improving the nutrition of children engaged in group activities other than schools -- specifically, this includes children in public or nonprofit private day-care centers, neighborhood houses, recreational centers, and various summer activities designed for needy children on a day-care basis.

Last year, in testifying on the group feeding proposals of the Child Nutrition Act, I said: "The Administration goal for child nutrition is quite simple. It is to provide every child, regardless of the family's income -- with access to a complete meal during the day when he or she is away from home."

That goal remains and we are asking your help in taking one more step to close the nutrition gap among children.

As you know, assistance under the National School Lunch and Child Nutrition Acts is confined to schools. Since passage of the Child Nutrition Act we have been able to reach pre-school children enrolled in school-sponsored programs. But -- we still cannot reach pre-school children in private, nonprofit pre-school programs -- we cannot reach children in day-care centers or settlement houses -- we cannot reach children during the summer months unless they are enrolled in summer school and the school keeps the cafeteria operating. We are saying, in effect, that we know the importance of good nutrition for children -- we know that in early childhood poor nutrition can have lasting effects, physical and mental -- but the children will just have to wait until they are old enough for school and even then good nutrition is only a nine-month effort.

The proposed legislation will enable us:

*** To reach children with a group food service in public or private nonprofit day-care centers, settlement houses and private nonprofit pre-school activities with a full range of Federal food assistance on a year-round basis.

*** To reach children engaged during the summer months in recreational programs such as day camps and youth centers -- but not in full-care "live-in" institutions or camps.

It is contemplated that the program would be operated initially on a pilot basis reaching approximately 100,000 children the first year at a cost of \$4.5 million. The majority of these children will probably participate during the summer months.

Assistance will be directed primarily to those activities serving children of low-income families, but where a program is in operation, all children will be able to participate.

In situations of severe need, we will be able to pay up to 80 percent of all operating costs of the food service program -- just as we can do under the Child Nutrition Act breakfast program.

States will be permitted to use up to 25 percent of the funds apportioned to them to provide up to 75 percent of the cost of equipment for use by eligible institutions to initiate or expand food service. This is consistent with the provision already in the Child Nutrition Act for equipment for the school lunch program and the breakfast program.

There is one point I want to emphasize at the outset -- this proposed amendment is based on the twenty years of continuing successful experience under the National School Lunch Program. Program administration will be in the hands of the same State educational agency that administers the lunch and child nutrition programs. They have twenty years of hard-won expertness in providing a food service for children that meets pretty stringent nutritional standards at a minimum cost to the child. This is by no means an easy job on a day-in, day-out basis, but they have learned how to do it.

It is my feeling that food service for children should be on a more rational, widely-available basis. If children are participating in group activities away from home -- whether it is a school situation or an activity

sponsored on an organized basis by a public or nonprofit private agency, it makes sense to offer a food service that will make a positive contribution to a child's nutrition.

This amendment and our thinking as to its administration are patterned throughout on the National School Lunch and Child Nutrition Acts. As I mentioned, administration will be handled through the State educational agency. There will be meal-type standards as in the lunch and breakfast programs -- participating agencies will agree to serve nutritionally-balanced meals in order to qualify for assistance. Meals will be served at reduced price or free to those who cannot afford the full price -- just as in the lunch and breakfast programs. In situations of extreme need, the States may pay up to 80 percent of the operating costs -- just as in the breakfast program. State agencies may use up to 25 percent of their apportioned funds to provide equipment to get a food service started or to expand an existing food service.

If a State educational agency cannot see its way clear to undertaking administration of this program, the Department of Agriculture will take direct agreements with eligible applicant institutions and supervise their operation under the program. This is entirely in line with our procedure under the National School Lunch Act where we have made agreements directly with non-public schools in some 29 States in those instances where the State educational agency cannot legally administer the program in non-public schools. It is entirely in line with our procedure under the Special Milk Program -- particularly in the case of eligible summer camps and child-care institutions. There are a number of educational agencies which do not wish to or are unable to administer the milk program in non-school activities.

Who and where are these children we want to reach?

As President Johnson pointed out in his message on America's Children and Youth, there are 5.5 million children under six, and 9 million more under 17, in families too poor to feed and house them adequately. He went on to say: "Head Start has dramatically exposed the nutritional needs of poverty's children. More than 1.5 million pre-schoolers are not getting the nourishing food vital to strong and healthy bodies . . . I am recommending legislation to authorize a pilot program to provide school lunch benefits to needy pre-schoolers through Head Start and similar programs . . ."

Some 60 percent of the children in year-round Head Start projects are in privately sponsored groups -- 35 percent in last summer's Head Start projects were in privately sponsored groups. We can help these children only with the milk program and donated foods -- useful help, yes, but not the full range of help we could extend if they were in school.

Great concern has been expressed by a number of Congressmen that even our lunch program is available to school children only nine months of the year, although good nutrition is a year-round need. There are many, many group activities for children during the summer months where we could help provide improved nutrition. The provision of a food service, in itself, would attract still more youngsters to organized group activity.

The legislation we discuss here today will permit us to take one more step toward closing the nutrition gap among children.

Thank you for your kind attention. I will be happy to answer any questions you may have.

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3
STATEMENT OF ORVILLE L. FREEMAN, SECRETARY OF AGRICULTURE,
BEFORE THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS,
UNITED STATES SENATE, ON S. 827 "TO ESTABLISH A NATIONWIDE
SYSTEM OF TRAILS, AND FOR OTHER PURPOSES," ON MARCH 15, 1967.

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE:

I am here to support S. 827.

This proposed legislation is the result of another of this Administration's efforts to foresee and provide for the needs of Americans today and beyond the 20th Century. It reflects President Johnson's personal recognition of and interest in those needs. More specifically, it reflects the needs to provide, in a variety of ways, the opportunities for all to enjoy the benefits of our great outdoors.

President Johnson requested that a study be made of the opportunities and resources available for the cooperative development of a nationwide system of trails. In response to the President's request, the Department of Agriculture and the Department of the Interior worked in full partnership to complete that study. The legislation which you are considering today resulted from that study.

Improving the quality of our environment involves more than the full conservation of our natural resources. We must also provide assurance that every American will be able to enjoy the spiritual and physical benefits of actual contacts with nature. A nationwide system of trails would help provide this assurance.

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Most of us have known the pleasures and the benefits of quiet walks through the woods, along a stream, or down a farm lane, or just meditating on a hill away from the sounds and smells of the city and the work-a-day world. But, unless we take action now to provide a way, millions of our people won't have these pleasures and receive these benefits in the years to come.

S. 827 would be another step in meeting one of the most serious domestic problems we face, a conservation crisis precipitated by today's technological environment--a crisis which concerns the totality of man's environment: land, air, water, plants and animals, and open space to move in. We in the Department of Agriculture are willing and eager to bring the Department's conservation resources and capabilities to bear on the problem. I want to comment on the contribution the Department will make to a nationwide system of trails.

This concept of a system of trails is not new. We already have a going program that can contribute to a nationwide system. But, that program is not sufficient as it now exists. It needs improvement and expansion to extend the outdoor recreation and other opportunities and benefits of walking and riding trails to all Americans. Our experience in the development and use of the trails which now exist in the National Forests and other areas affords a sound foundation on which to build the program this bill would establish.

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Therefore, I think it important that you know first what is now available and its relationship to the proposed nationwide system.

We now maintain over 100,000 miles of trails in the National Forests throughout the 39 States in which they are located. The development and use of these trails began with the establishment of the National Forest System over 60 years ago. Most of these trails are suitable for hiking or for riding. They offer opportunities for short walks of an hour or an afternoon or for overnight long distance treks.

In 1965, the latest year for which we have complete records, National Forest trails were used on some 100 million occasions by people walking or hiking, riding horses, or riding bicycles and trail scooters. These people were from the city and the country. They included whole families and all ages from tots on their parents' backs to grandmothers and grandfathers. They represented many professions and walks of life--farmers, steelworkers, schoolteachers, corporation executives, and a host of others.

S. 827 would establish a nationwide system of trails made up of four general categories. The Department of Agriculture would be intensively involved in two of these: the national scenic trails and the Federal park, forest and other recreation trails. We would be involved to a lesser degree in State park, forest, and other recreation trails and Metropolitan Area Trails.

Of the four national scenic trails, the Continental Divide Trail and the Pacific Crest Trail would be the primary responsibility of the Department of Agriculture.

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Of the overall 3,100 mile length of the Continental Divide Trail, approximately one-half would be within National Forest boundaries. About one-third of the total length of the trail is substantially in place. The bill would provide both for the improvement of this portion and the completion of the balance. This trail will run through Montana, Idaho, Wyoming, Colorado, and New Mexico. On its route through the National Forests it will cross five Wildernesses. It will involve Federally owned land administered by the Forest Service, the Bureau of Land Management and the National Park Service. As in the case of other national scenic trails, the portion within the boundaries of areas administered by other Federal agencies will be administered in such manner as is agreed upon by that agency. For the approximately 300 miles outside of Federally administered areas, the cooperation and active participation of the States will be sought.

The 2,350 mile Pacific Crest Trail extends through Washington, Oregon, and California. Approximately two-thirds of its total length is within National Forest boundaries, where it passes through eight Wildernesses. About 300 miles is on other Federal lands, and slightly more than 400 miles on privately owned lands. Although nearly all of the length of this trail is roughly in existence and used today, this legislation will assure that the needed improvements will be made, that the trail will be maintained, and that its natural environment will be protected for all future generations.

Over one-half of the Pacific Crest Trail is in the State of California. Over 16 years ago, we entered into a formal agreement with the State

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of California under which trails in interrelated State, private, and National Forest lands would be developed. We will expect to continue our cooperation with the State with respect to the Pacific Crest Trail.

S. 827 provides that the Secretary of the Interior will have primary responsibility for the Appalachian Trail, as has already been pointed out in previous testimony. This trail is practically all in place and is heavily traveled over most of its route from Georgia to Maine. Approximately 500 miles of it is within National Forests. For 30 years or more we have cooperated with the Park Service and with the Appalachian Trail Conference in developing and maintaining this well-known trail. This cooperation will continue under the provisions of S. 827.

Our long, successful experience in cooperative work with the Park Service, with other Federal agencies, and with State and private organizations and individuals all over the Nation proves that a working team of Federal, State, and private groups can make an effective partnership. This kind of partnership S. 827 will provide.

Studies of additional trails for designation as national scenic trails will also be provided for under the bill. These studies will be made cooperatively. Many of the potential national scenic trails will pass through National Forests and we will participate in making the studies of them under the provisions of the bill.

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In addition to national scenic trails, S. 827 would include as a major part of the nationwide system those trails on lands administered by the Secretary of the Interior and the Secretary of Agriculture designated by the appropriate Secretary as a part of the nationwide system. These Federal park, forest and other recreation trails will include in due time most of the permanent trail system within the National Forests. By far the greatest part of a nationwide system of trails is and will be in this category.

Although our existing system contains more than 100,000 miles of trails, many sections are inadequate to meet even today's recreation demands. We need to make a number of improvements. Some of these involve geographical distribution, standard of construction, trail continuity, and provisions for a variety of uses--needs that reflect a change in public purpose since existing trails were located and constructed. Less than 10 percent of the trails are in the heavily populated Eastern portion of our country. Paradoxically, much of our heaviest trail use is in the West. Such a condition points up the necessity for weighing factors other than population in determining the appropriate geographical distribution of our trails.

Many of the existing National Forest trails were originally constructed to serve fire control uses. As we have changed our fire-fighting techniques in remote areas to aerial attack methods, trails as a means of access are not so important for that purpose. Many of these firefighting trails need to be relocated to take advantage of scenic vistas, to provide access to points of special natural or historic interest, or to follow more leisurely routes.

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This fiscal year, we are spending \$4 million on expansion and improvement of the National Forest trail system. We plan to increase this to over \$5 million in fiscal year 1968. To meet the increasing recreation demands on our National Forest trails we plan to upgrade the whole system over the next 15-20 years. At current rates this will cost about \$80 million. The proposed Act leaves enough administrative flexibility, particularly as it concerns the existing trail system, so that we can further adjust our program to meet the future needs and desires of the people.

The development and management of the nationwide system will benefit from the extensive knowledge and experience gained over the years in building and administering our National Forest trails. We have an extensive field organization. We have had years of contact and association with ranchers, farmers, woodland owners, timber operators and other rural residents, and State and local forestry and agricultural organizations. This affords us a unique opportunity and a common ground for cooperating in the selection and development of trails involving lands administered by this Department in the vast areas of the Eastern and Midwestern portions of our country where Federal ownership is small and widely separated.

The establishment of a nationwide system of trails will greatly enhance the usefulness of our existing trails. More importantly, it will identify those routes where a continuity of travel by trail is possible. This legislation is necessary to set forth the intent of

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Congress that certain outstanding routes will be established and marked and that the beauty of these trails and the open country will remain available for us, our children, and grandchildren.

Making a program such as a nationwide system of trails effective takes State and local initiative, leadership, and planning. This bill would provide for and encourage the kind of participation and cooperation at all levels that will make a nationwide system of trails effective. It will be creative federalism at its best.

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AGRICULTURE/2000 -- SCIENCE IN THE SERVICE OF MAN

In this -- the fifth in a series of messages I shall deliver this year on agriculture's role in helping us prepare for the 21st Century -- I intend to explore the contributions of agricultural science ... past, present, and future.

Earlier in the series, I talked about income and abundance, communities of tomorrow, resources in action, and growing nations and new markets. In each of these talks I presented a frankly idealized -- but altogether attainable -- picture of what our nation and the world could be like in the Year 2000 ... if we rise to the challenge before us.

For the visionary element in each of these messages, I drew heavily on expert opinion inside and outside government. I shall do the same today.

I'm pleased to make this speech before this particular audience, for the science-education community understands and appreciates the importance of agricultural science to the welfare ... indeed to the survival ... of mankind everywhere.

You understand its complexities ... and appreciate its sophistication. No one here, I'm sure, has as simple a conception of agricultural science as the woman who declared she was going to cross a pig with a homing pigeon to get bacon that brought itself home.

Address by Secretary of Agriculture Orville L. Freeman at the National Science Teachers Association Convention, 1:00 p.m. (EST), Monday, March 20, 1967, at the Statler Hotel, Detroit, Michigan.

Seriously, all too few Americans are aware of the tremendous contributions of agricultural science. Too many conceive of the USDA as a body exclusively devoted to the administering of farm programs.

The truth is, of course, that two-thirds of the Department's annual expenditures and about 90 percent of its man-hours are devoted to services of benefit to all Americans rather than exclusively for farmers.

Of USDA's fulltime employees, for instance, about 17 percent are in research agencies, while fewer than 6 percent work in the Agricultural Stabilization and Conservation Service -- the agency that deals almost wholly with farm programs.

It's time, then, to tell the wonder story of agricultural research ... and of how that research affects the lives of all of us today, next month, and in the years to come.

No one knows exactly what agricultural science will have accomplished by the Year 2000, of course, but I do know that today's research is laying the foundation for the kind of agriculture ... and the kind of world ... we can have 25 or 30 years from now.

Certainly science can't create an ideal world without the help of far-visioned policy makers, peace makers, and all men of good will. But just as certainly, the policy makers and the peace makers won't have the kind of world we'd like by the turn of the century unless research frontiers are extended to achieve those things that are now only theoretically possible.

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USDA 880-67

For the next few minutes let's assume that those research frontiers will be pushed back ... that the most advanced ideas of our scientists will have reached the stage of practical application by then. Let's dream about what agriculture and the world can be like in the 21st Century.

THE FUTURE

Whirling overhead in the Year 2000 will be the agricultural space satellites that will supply the basic intelligence for agriculture.

While the farmers of tomorrow study reports in their air-conditioned offices ... relieved at last of the physical drudgery and occupational anxiety so traditionally theirs ... and the Secretary of Agriculture takes unaccustomed ease at his desk in Washington ... these shiny space satellites, equipped with the most sophisticated remote sensing instruments, are supplying the information needed to make the key decisions.

Their sensors are able to detect differences in soil ... identify different crops and kinds of forest trees ... determine damage by diseases, insects, and drought ... and assess crop stands and vigor in order to predict production.

Information gathered from throughout the world is transmitted to computers for analysis and immediate use.

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USDA 880-67

The soils of the world have been inventoried, and each crop is grown either on the soil best suited for it, or on soil chemically modified for maximum productivity. We have a running inventory of acreage and output of all crops, and we use accurate predictions to guide marketing and distribution to avoid waste and local shortages and surpluses.

Let's see how this works. Suppose the control station requests a check on the maturity of the North American wheat crop. A signal is sent to the spacecraft sensor, and within a few minutes the results are in. The grain in Oklahoma is ripening fast and threatens to glut local markets. So information goes out to farmers to enable them to manipulate artificial light and apply growth-regulating chemicals to slow the maturity of the Oklahoma wheat ... and to speed ripening in part of Kansas to meet a scheduled shipment overseas.

Homeowners, incidentally, will use the same light-manipulating and growth-regulating chemical techniques to keep their lawns and shrubs at desired height without mowing or clipping.

I said the spacecraft sensors could also determine crop damage by insects, diseases, or drought, but the truth is that scientists will seldom have occasion to measure such damage in the 21st Century.

Combinations of biological and specific chemical methods by then will have eradicated the dozen insects that caused half the losses in the Sixties, and will control the 100 or so other crop-damaging bugs.

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USDA 880-67

Americans of the Year 2000 never will see -- much less swat -- a housefly or a mosquito.

Using knowledge gained in 1967 that certain plant proteins control disease resistance, scientists of the Year 2000 will have bred crops and trees and ornamentals that are unaffected by the plant diseases we know. Weeds will have become laboratory curiosities, for harmless chemicals will have been developed to keep their seeds from germinating.

The woodlands are more beautiful, more productive, more used in the Year 2000 than they have ever been before. In 1967, projections were made which foresaw that by the turn of the century America's needs for recreational land would increase 300 percent, for wildlife refuge 133 percent, and for reservoirs 180 percent. The USDA's Forest Service research and development program has helped meet those needs.

New methods of timber harvesting, pioneered in the Sixties, are saving billions of cubic feet of timber once wasted in harvesting. New uses of low-grade timber are bolstering local economies, and the mechanization of reforestation, forest culture and timber harvesting is increasing timber workers' income. Water shortages have been eased by tapping deep snowdrifts in alpine fields.

Lightning fires have been curtailed, parasite and predator damage to trees biologically controlled, tailor-made trees developed, and a wide assortment of new paper products and wood chemicals developed.

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USDA 880-67

Now let's look at the farmland of the new century.

Much of the land presents a striped pattern, for crop rows are separated by impervious strips that catch rainfall and drain it to nourish the plants. Whole hillsides of unproductive land are treated to shed previously wasted rainfall and deliver it to reservoirs serving small towns and recreation areas. And the surfaces of reservoirs and lakes are treated to eliminate loss of water by evaporation.

Irrigation is completely automated and controlled by computers, and the water used in irrigation is treated water from poor-quality sources. Fresh water supplies of the 21st Century are largely restricted to domestic and recreation use.

Few livestock are visible, although the United States now produces twice as many as in the Sixties. Livestock are now kept in the environmentally controlled shelters that dot the landscape. More people are eating meat, for cattle, hogs, and sheep grow to market size on a third less feed and in a third less time. Hens, kept on an 18-hour cycle, lay not 240 but 350 to 400 eggs a year.

Most of the crops of the 1960's are still being grown ... but by now each cornstalk produces multiple ears, and cotton plants grow with all of the bolls clustered on the top branches for easy harvesting. Crops have been bred to need a fraction of the water required by varieties of the Sixties, and are much less affected by drought. Plants grow and mature much faster and have been redesigned with sturdy stems and with all leaves exposed to the sun for maximum use of light.

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Federal and State scientists of the Sixties got the first leads on how proteins, the building blocks of life, are formed in living cells, and their 21st Century counterparts direct genetic development of plants and animals, adding desirable new qualities and eliminating defects.

In the 21st Century we may find that no more than 2 million of the 300 million people in America are farmers. Computer-controlled machines plant the crops, fertilize by prescription, determine when produce is ready for market, harvest on order, and grade and package the commodities for delivery by supersonic cargo planes to fully automated warehouses.

And -- despite the size and the cost of these farms of tomorrow -- they are still, by and large, family-owned and operated, for by the Year 2000 a creatively flexible system of financing has been devised to meet the much heavier farm credit needs of that era ... and automation has reduced the required number of human workers to a minimum.

We may be surprised to discover, however, that despite the continued numerical decline in numbers of farmers, the countryside is more heavily populated than it has been for more than a century.

The historic migration from the countryside to the city came to an end before the turn of the century, when far-visioned businessmen, industrialists, government leaders, and social scientists joined forces to restore economic opportunity -- and economic appeal -- to rural America ... thus spreading out the populace and relieving the strain on congestion-troubled cities.

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USDA 880-67

The sprawling strip cities predicted by many back in the Sixties, contiguous metropolitan complexes extending over hundreds and hundreds of miles, stopped spreading. Instead, our 300 million people are dispersed across the nation ... many of them living in brand new towns and cities of planned, manageable, healthy, and esthetically-satisfying proportions.

LONG RANGE STUDY

This view of what agriculture and the countryside may be like in the 21st Century suggests some of the contributions agricultural science can make to the prosperity, comfort, and well-being of mankind throughout the world.

But these achievements will not happen by themselves. They will result only from decision, determination, imaginative planning and skillful use of scientific resources.

This is the challenge.

Happily, the decision, determination, imaginative planning and skillful use of scientific resources are already manifest.

We know this is the kind of world we want. We are determined to have that kind of world. The planning already is under way. And the skillful use of scientific resources is a demonstrated, historical reality that can grow increasingly more effective if we are wise and courageous and determined.

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USDA 880-67

The Department of Agriculture and the land grant colleges and universities have developed a long-range plan which is guiding the direction and evolution of agricultural science. The plan grew out of a study made by the USDA and the State Agricultural Experiment Stations.

First, 10 goals for agricultural research to meet national needs were determined. Our goals include efficient production of farm and forest products ... expanding export markets and assisting developing countries ... raising the level of living of rural people ... and others.

Then we made an inventory of agricultural research being conducted by USDA, the States, and industry. We determined how effective our present efforts are in meeting our goals, and laid broad plans for making necessary adjustments. Next we integrated our research plans into the Federal budgeting process. All of this has been accomplished within the past 18 months.

Now Federal and State scientists are taking a closer look at each of the 91 research problem areas we have identified. They are charting the course of investigations to solve these problems -- such as alleviating soil, water and air pollution ... and developing new food, feed, and industrial products from agricultural raw materials ... assuring adequate supplies of forest resources ... and building lasting economic strength in rural America.

I have every confidence those problems will be solved ... because the unique working partnership between the USDA and the State Agricultural Experiment Stations has been solving problems for nearly 100 years!

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I doubt that many Americans realize what that working relationship has meant to the economic, industrial, educational and scientific development of this nation.

THE CONTRIBUTIONS

USDA research is carried out in Federal facilities, in combined State-Federal facilities, and in facilities provided by the States. USDA research scientists and administrators devoted 4,422 man-years of effort to the Department's agricultural research in fiscal 1965.

The State Agricultural Experiment Stations are the centers of agricultural research in every State. They conduct systematic, scientific, organized study concerned with immediate and long-range problems of agriculture, forestry, rural living, resource development, and consumer problems related to agricultural products.

The States turn out a growing volume of research information. Their 6,500 research scientists publish thousands of research or technical papers a year in most of the biological, chemical, engineering, and social science disciplines. Research findings are quickly disseminated by the closely related Cooperative Extension Service.

Let me quickly review what has happened in the United States since this great cooperative agricultural research effort between the USDA and the States was launched back in 1887.

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A century ago, 7 million farm workers served a total population of 31 million. By 1910, farms employed 13 million in a nation of 106 million. But today -- with a total population of 197 million -- roughly twice as many as 50 years ago -- fewer people are employed on the farm. But as population rose, and farm jobs declined, our people became better fed, better clothed, and better housed than ever before. I should quickly point out, too, that while only 7 million remain on the farm today, another 28 million Americans are employed in farm-related jobs ... food processing, transporting, marketing, for instance, and chemicals and machinery.

The scientific and technological revolution in agriculture freed millions of Americans to enter other pursuits ... thus providing the labor force for the industrial explosion in America. Progressively the application of agricultural research has freed more than labor. It also freed capital for the development of the industrial economy. Funds for investment came first from the capital that farmers accumulated when they began producing beyond their own needs.

During this period, agriculture took the lead in opening the scientific frontier. Success in agriculture pointed the way toward the "industry of discovery" -- toward the conviction that the economy, the government, the lives of the citizenry can be changed by organized research efforts.

The point has been so well made that today massive investments in all kinds of research are almost taken for granted. One illustration: In 1940, the Federal Government spent a total of only \$74 million for research and development. Last year the Federal Government spent \$16 billion for research and development.

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The research thrust in agriculture has not lost impetus as other thrusts have gained it. In 1965, total expenditures for agricultural research -- public and private -- came to \$850 million. There are an estimated 30,000 or more agricultural research projects under way in this country today.

And now let's look at some of the results of agricultural research.

PRODUCTIVITY

The impact of research and science on production is almost unbelievable. In the past 20 years, crop production per acre and livestock production per breeding unit have increased almost 40 percent. And this, mind you, has been accomplished with a labor force that diminished almost 40 percent.

In 1945, we produced 2½ billion bushels of corn on 77 million acres. In 1965, we produced more than 4 billion bushels on nearly a third fewer acres. In 1945, the average milk yield per cow was 5,000 pounds a year. Today it is 8,000 pounds. Our markets for dairy products are now supplied by some 10 million fewer cows than were needed 20 years ago.

Our farmers market 7 times as much broiler meat and twice as many pounds of turkey as they did in 1945. And they increased the output of red meat almost 40 percent in the same period.

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This remarkable record of production efficiency has given the American consumer the best diet in the world at the lowest real cost. Food for Peace and Food for Freedom have saved the lives of millions of famine-threatened people overseas. Sharply competitive in the world market, last year's farm exports set an all-time record. They provided our farmers with one dollar of every 6 they earned in cash receipts, and were the most significant single factor in the struggle to maintain our balance of payment position.

OTHER RESEARCH BENEFITS

The impact of agricultural research is felt far beyond our domestic and international economy. Agricultural research is of crucial importance in man's efforts to create a balanced and diverse environment ... in improving human health ... and in examining the life process itself.

How many people know that it was USDA scientists who were the first to link an insect vector to the spread of any disease? In tracing the cause of Texas cattle fever to the fever tick, they opened the way for the control of such human diseases as malaria, yellow fever, and sleeping sickness.

How many know that techniques for mass production of penicillin, and subsequent other wonder drugs, were developed in USDA laboratories?

How many know that research work at the Wisconsin Agricultural Experiment Station led to the discovery of niacin, the cure for pellagra; to the importance of iodine in metabolism; to the discovery that Vitamin D could be supplied by direct irradiation of ultraviolet light -- a revolutionary finding in basic research and an immediate method for eliminating rickets, not only in farm animals, but also in humans?

How many know that it was a researcher at the New Jersey Agricultural Experiment Station who discovered streptomycin, the first of the wonder drugs to show hopeful results in the treatment of tuberculosis?

And how many know that it was the work of Agricultural Experiment Station researchers in North Dakota and later in Wisconsin that led to the isolation and identification of dicumarol, a compound now widely used in treating circulatory disturbances in man? Some estimate that use of this drug saves the lives of one of every 3 Americans stricken with coronary thrombosis.

IMMEDIATE PROBLEMS

Proud as I am of the achievements of agricultural science, I must emphasize that our research job is far from done -- and probably never will be. New applications are constantly being found for well-established research principles. And the new insight provided by basic research is continuously opening additional opportunities for extending the benefits of science.

In addition, the problems to be solved don't diminish. There are old problems not satisfactorily solved ... such as control of soil erosion. There are problems that refuse to stay solved. For example, we breed a disease-resistant crop variety, and then a destructive new strain of the disease develops. And there is a steady flow of new problems arising from changes in our needs and wants, and from the requirements of our economic system.

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I would like to mention a few of our research efforts to meet these immediate problems of agriculture.

Even though our agriculture as a whole is highly efficient, certain segments need help in cutting costs in order to compete favorably on domestic and world markets. For example, we have intensified our research attack to remove the limitations to efficiency in producing cotton. We are breeding new cotton varieties that more nearly meet the requirements of the automated textile industry, developing biological weapons against the boll weevil and other insects, seeking better tillage and disease-control practices, and designing more efficient equipment for ginning and processing cotton.

With seasonal labor scarce in the vegetable industry, growers must mechanize harvesting -- and we are undertaking the difficult task of designing satisfactory machines for the vegetables, and sometimes vegetables to match the machines.

Achieving the same standards of efficiency in beef production that have been reached in the poultry industry is another problem now being challenged by our researchers.

Research to prevent pollution of soil, water, and air has been greatly expanded by the Department and the States. We are devising biological and other safe ways of controlling pests ... developing highly specific pesticides and accurate methods of application ... and conducting a nationwide program of monitoring to identify any potential hazard to the environment from pesticide usage.

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The USDA has been most pleased to cooperate with your organization in the distribution of educational materials on pests and pest control. An information packet was prepared in consultation with NSTA, and included a review by your evaluation committee. Although the packets were sent out only recently, science supervisors and instructors from schools and colleges throughout the country already have requested and received more than 100,000 copies for use in their classrooms.

Lastly, we are directing more of our research to the problems of low-income rural families ... research to improve nutrition, assist in household budgeting, and provide practical housing.

THE WAR ON HUNGER

And now let me examine with you the greatest of the contemporary challenges of agricultural research -- World Hunger.

You've heard the grim statistics before. Two-thirds of the world's people go to bed hungry. By the Year 2000, another 3 billion may people the earth ... and four-fifths of the additional people will be living in those regions where food already is in short supply.

In his State of the Union Message on January 10, President Johnson said: "Next to the pursuit of peace, the really great challenge to the human family is the race between food supply and population increase. That race tonight is being lost."

We now know that the United States and the rest of the developed world do not have the food production capacity to fill the gap between population growth and food production in the developing nations very much longer. Mass famine threatens these nations.

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We also know that there can be no peace and no security in a world where two-thirds of the people are thus threatened.

What can be done?

There is only one answer. The hungry nations of the world must learn to feed themselves before time runs out. We must export our technical skills and help them to learn ... and, together with the other developed countries, we must buy time with our food aid while they are learning.

American agricultural research already is at work all over the world teaching irrigation, drainage and reclamation, pest control, fertilizer, hybrid seed, new plant strain, growth regulator and new tool use. During the last 2 years we've had more than 100 of our Agricultural Research Service specialists overseas ... helping technicians in hungry lands find solutions to their agricultural problems through systematic research effort.

Since 1958, we have financed some 870 research projects in 30 countries, projects that benefit agriculture in our own country as well as in the hungry lands. And we are bringing increasing numbers of technicians from other nations to our country for special training.

And while we are doing this, our researchers are exploring new ways to supplement the diets of protein-starved people, who now number more than 2 billion!

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Protein-starved children die ... sometimes at a rate 40 times higher than children of the same age in developed countries. Or they are physically stunted. Or mentally retarded. And those who survive to adulthood may suffer chronically poor health.

One promising approach to this problem is a USDA process for fortifying wheat or other grains with extra proteins. Essential amino acids that make up nutritionally adequate proteins are infused into the grain in soluble form. The enriched grain can then be processed for use in the familiar foods of the developing countries. Purdue University researchers have bred lysine into a new strain of corn, and I predict we'll soon be able to do the same with wheat. Such a nutritional breakthrough would dwarf even space exploration or putting a man on the moon in its ultimate impact on the future of mankind.

An entire speech could be devoted to the dramatic advances in processing protein concentrates from soybeans, peanuts, or cottonseed. These concentrates can be made to simulate meat, fish, or poultry, and ultimately could provide a new source of quality food, at low cost, for millions of the world's hungry people.

All of these breakthroughs offer solid hope that the eternal war on hunger eventually can be won ... perhaps before the Year 2000.

CONCLUSION

The scope of agricultural research defies description in a thousand speeches. All I could hope to do today is give some indication of its awe-inspiring dimensions.

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And those dimensions must continue to expand ... if we are to build the kind of world we seek by the Year 2000. Federal, State, and industrial research in agriculture now employs about 27,000 scientists. Meeting the goals we have set will require an additional 13,000 agricultural scientists by 1972 ... and about 13,000 more by 1977.

We will need the most dedicated, innovative, and far-visioned scientists we can find, and we ask your help in finding them. The need is so crucial, the pressure of time so imperative, that I take this occasion to implore you -- the science teachers of America -- to direct as many of your promising students as you can into careers in agricultural science.

With their help, we can move into the wonder world of the 21st Century ... a world where mankind, freed at last from the desperate struggle to survive famine, pestilence, and fever, can finally pursue those higher goals his God-given nature inspires him to seek.

The Truth, Franklin Roosevelt once said, is found when men are free to pursue it.

Now, as I close, let me leave you with this thought. It is within the gift of science to set men free in a wonder world ... if science remains in the service of man. But magnificent as science is, as fulfilling as science is, it must never be deified for its own sake. Always it must remain in the service of man.

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There is a story that illustrates this point. It seems that a brilliant group of scientists created the ultimate computer ... a computer equipped for the first time with insight and the potential for abstract reasoning.

To test their awesome creation, the scientists asked it the oldest question in the world: "Is there a God?"

The machine whirred for a moment and then brought forth this ominous answer:

"If there wasn't before ... there is one now."

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Testimony of the Honorable Secretary of Agriculture
Orville L. Freeman
before Subcommittee No. 4 of the House Small Business Committee
Tuesday, March 21, 1967, 2 p.m.

Mr. Chairman, Members of the Committee:

I deeply appreciate the invitation to appear before this Subcommittee.

In my presentation I want to do three things:

Point out the direction in which we are being swept by an unplanned and, in a sense, involuntary mass migration from country to city;

Offer for your consideration what I believe to be a promising alternative;

And, above all, outline the possible dimensions of a new national policy to restore balance and sanity to our future national growth.

I. Our Growing Urban-Rural Imbalance

Two generations ago, more Americans lived and worked in rural areas than in cities. It was not until 1920 that urban population caught up with rural population in this country.

For many years, the movement from the land to the cities was healthy. The growth of the great urban centers was a key factor in the phenomenal economic development of this nation.

But then the pendulum overswung.

Today 140 million Americans -- 7 out of every 10 persons -- are crowded onto just 1 percent of our land and the result is urban blight.

On the other hand, only 57 million people -- 3 out of 10 -- live on 99 percent of our land, with a double share of the nation's poverty.

And the mass exodus continues.

Each year, 3 million more Americans jam into our already overcrowded cities.

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They shoehorn their way into the impersonal concrete and steel towers of an apartment complex.

They fight their way through traffic and exhaust fumes to gaze longingly at holes gouged in the raw and muddy earth where new housing subdivisions rise in ever-widening rings from the center city.

Or they count themselves lucky if they can find a not-too-exorbitantly-priced cold water flat that protects them from the elements, but offers little haven from boisterous neighbors and marauding rats.

Why? What is there about the city that attracts people so?

In a word -- jobs. Jobs in research, in advertising, in industry. Jobs as machinists, as secretaries, as executive assistants. Jobs in hospitals, in department stores, in office buildings.

They come in search of jobs that offer higher pay and greater opportunity for advancement, or, in some cases, they come simply on the possibility of a job -- any job at all that will enable them to feed and clothe themselves and their family and to live in dignity.

For this, they pay a heavy price. They say goodbye to old friends, sever life-long church affiliations, and leave behind family homes and familiar surroundings.

In the cities, they are forced to make further sacrifices. No longer can they roam downtown sidewalks and parks at night without fear. They have to rise earlier in the morning, drive farther to work, and return home later at night, giving them less time to spend with their families. They have to cope with all the problems that come from having too many people in too little space -- increased traffic, smog, inner city decay, the loss of individuality, rising tax rates, more demands, and less incentive for response.

In the words of Mayor John Lindsay of New York City:

"Our cities exact too much from those who live in them. They are not only increasingly expensive places in which to live and work; more and more, the price of city living is being paid by a sacrifice of fundamental personal freedoms."

The massive problems this population exodus has created in our cities are well known. But few people are aware of the equally acute impact this has on the towns and small cities of the American countryside.

The loss of people means a loss of customers and less business for firms up and down Main Street. The tax base to support roads, schools, and other public services declines or, at best, fails to keep pace with increased costs of rendering such services. In many small communities there are now too few people to support the business establishments, medical, dental, and other professions, churches and essential civic institutions needed for adequate living.

This is one of the reasons why almost half of the nation's poverty is concentrated in the countryside, where only 30 percent of the people live -- why the proportion of substandard homes is three times as great in rural America as in urban America -- why schools in small towns have less money to spend per pupil on education than big city schools.

This lack of opportunity -- this disillusionment -- feeds on itself. Each year it drives an increasing swell of humanity into metropolitan complexes.

If present trends continue unchecked, by the year 2000, most Americans will be crammed into five super-strip cities. One will stretch from present-day Boston south to Washington, D. C., and will be "home," if you can call it that, to 56 million people.

Superhighways and mass transit systems will eat up increasing amounts of urban land in the frantic race to keep our cities mobile. There will be three times as many automobiles on our streets and highways and they will be contributing three times as much smog to the air. The pollutants produced by industry, sewage plants and land development will be much greater -- and even more localized and concentrated. The congestion, the tensions, the urban sprawl will increase.

II. The Alternative

But does this have to be? I say, no.

I take direct issue with the notion that continued mass migration from country to city is inevitable.

I take direct issue with the concept that tomorrow's America must consist of a few huge megalopolitan complexes strung together by superhighways running through endless miles of empty land.

I say it is folly to stack up three-quarters of our people in the suffocating steel and concrete storage bins of the city -- while a figurative handful of our fellow citizens rattle around in a great barn full of untapped resources and empty dreams.

I do not advocate that we abolish our cities. Much has been done, and much is being done by this administration, to alleviate the troubles of urban America. Had I the time, I would like to review with you the great strides made in the war on poverty, the advances in urban redevelopment, the gains made in offering more training and education to our citizens in the great metropolitan areas.

What I am saying is that until the forced influx of people is stopped... and turned around...the fight to save the cities can never really be won.

There is an alternative -- a promising one that permits us to solve the problems of both city and countryside with one vigorous stroke.

I suggest that we generate new opportunity in the countryside by using it to solve the problems of our cities.

To be perfectly clear about this, I am not advocating the depopulation of the cities nor am I suggesting that we encourage runaway industry or piracy of existing plants and firms. I am urging that growth in rural America come from new plants involved in national expansion.

We can use the space and the resources of the countryside to make possible a more civilized and enjoyable life for all Americans.

Furthermore, I would like to call on the nation's small businessmen in the small towns and broad countryside to take the lead in bringing about this rural renaissance.

They are the decision-makers. They have the capacity and know-how to get the job done. They also have a personal stake in whether their community grows and prospers.

By joining forces and pulling together, we can revitalize hundreds of existing small towns and build hundreds of new planned communities that offer their own sources of employment, that provide a favorable climate for the development of businesses and services on Main Street, that have modern schools and a nearby college, that boast a medical center and cultural and entertainment facilities.

The new planned communities of which I speak would be built from scratch -- planned for future growth. Public loans and grants could be concentrated in the area to promote growth and to encourage private investment by industry and business. Man-made lakes formed by watershed project reservoirs and Corps of

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Engineer dams provide an excellent locale for such new planned communities.

Such communities would help ease the constant pressure of population expansion in our cities. They would permit city officials to attack problems of racial unrest, crime, and inner city decay without having gains, however meager, undercut by a constant influx of newcomers into the slum area.

For, in a very real sense, the poverty problem of our cities is a problem transplanted from rural America. Urban slums are peopled largely by displaced rural migrants who sought in vain to earn a living in the countryside and finally fled to the city in desperation.

We have the opportunity, with our tremendous national energy and enterprise, to take into hand the changes that are going on in our environment -- to control and direct these changes so that we build a good life and a great society for all.

But this will not just happen. We must make it happen.

The time has come to act.

III. A National Policy

I believe the Congress, the Administrative branch, and the American people should begin now to formulate a national policy that will lead to rural-urban balance -- a policy that will enable people to choose freely and without economic sacrifice whether they will live, work, and play in the city or in the countryside. The whiplash of economic necessity which today relentlessly drives desperate people into our huge cities must be lifted from the bleeding back of rural America.

What do I mean by a policy of rural-urban balance? What is involved?

One major component would have to be new programs and policies to generate new jobs in our smaller communities.

Over the past 15 years, national economic growth has created more than 13.5 million new jobs in the United States. But, in effect, all of these new jobs have gone to urban areas. The number of rural jobs remained fairly constant, with losses in agriculture and mining canceling out gains made in business and industry. This was one of the major factors behind the migration that brought depopulation and decline to many smaller communities, and contributed to ~~overcrowding~~ and congestion in our cities.

To stop this outmigration, our economists and population experts estimate we shall need 550,000 new jobs a year in rural America, or in cities within easy commuting distance of rural areas.

Figuring a capital investment of \$10,000 per job, this means a new business investment of \$5.5 billion per year. Most of this money must, of course, come from private industry and the investor must have sound economic reason for locating in rural areas.

Therefore, as one component of this new national policy, we should give serious study to the possibility of a tax incentive plan to encourage business and industry to locate new plants and facilities in rural areas. This might include an increased tax credit for machinery and equipment investments. It might also include accelerated tax write-off for businesses locating in small communities with high underemployment or a high percentage of families with low incomes. Not only would this encourage new businesses to locate in rural areas, it would help businessmen already there to expand as new opportunities and new markets opened up.

Another possible component of this national policy might govern the awarding of contracts and building of public facilities to disperse people and opportunity to smaller communities, where feasible.

Let me cite one example to indicate what is involved here.

Several years ago, the Department of Agriculture made a study which showed that out of \$28 billion in prime military contracts awarded that year, 23 percent went to one State alone. This created well over 1 million jobs in that State, primarily in urban areas.

On the other hand, to create jobs in rural areas under the Area Redevelopment Program we spent \$267 million throughout the entire nation, or less than 1 percent of the money expended on defense contracts in the one State alone.

You can well imagine how this imbalance in Federal investment added to the population pressures in the cities of that one State, and how it hurt business activity and drained people from smaller communities there and in surrounding States.

Another dimension of the new policy would be to expand planning on multi-county lines.

For the past six years the Department of Agriculture has been working with organizations of private citizens to stimulate community development projects in rural areas. We call these local groups Rural Areas Development Committees.

We find that many of the frustrations and pitfalls that these local groups encounter in their development efforts stem from the lack of comprehensive planning and from inadequately prepared applications for Federal assistance.

Project applications can be prepared more accurately and presented more effectively when they are internally consistent with one another and when they are part of a comprehensive plan for development of an economically viable multi-county area which has pooled its resources in an efficient logical manner.

Secretary Weaver and I have been working to develop a base for continued cooperation between our Departments to meet the needs of non-metropolitan areas for just this sort of comprehensive planning. We have discussed ways whereby a group of counties -- say, perhaps, five or six -- might join together for planning purposes.

In this group of counties, there might be one or two small or medium-size cities, of 30, 40, or 50 thousand population. The small city would be the center to which people today as a practical matter are driving for jobs, for shopping, for medical care, and for other purposes. By joining together with the surrounding counties, and by pooling their resource base, such a city might develop into one of the modern communities of tomorrow -- the kind of

community that is needed to revitalize the countryside and halt the excessive parade of people to metropolitan centers.

As a result of these and other talks, and recognizing the need for multi-county planning in rural areas, President Johnson last week recommended that Congress amend the Housing Act of 1954 to provide such assistance.

The President would empower the Department of Housing and Urban Development to make grants to States to finance up to two-thirds of the cost of technical assistance to, and comprehensive planning by, official multi-county planning agencies in non-metropolitan areas.

The President also recommended that the Department of Agriculture provide technical assistance to these planning bodies.

He urged that \$20 million be appropriated for this purpose.

With a comprehensive plan drafted by professional planners, the towns and small cities in the multi-county area would be in a much better position to file proper applications to get whatever Federal or State aid they needed. To the extent that they are efficiently pooling resources and planning to meet multiple needs their applications will be strengthened.

This brings us to another dimension -- another need -- in formulating a policy to promote rural-urban balance.

We should take a fresh, hard look at all Federal programs to see which ones are serving rural America fully and effectively, and to take steps to make adjustments in those programs that small towns are not now able to utilize fully.

President Johnson has directed me to work with the Budget Bureau and the other Federal agencies in such a study. I recently assigned Assistant Secretary John Baker to expedite this activity.

This "outreach" function, as we call it, is performed by our field offices under the leadership of the Farmers Home Administration. For example, we recently concluded an agreement with the Small Business Administration whereby the Farmers Home Administration will help get word about SBA programs -- particularly its Economic Opportunity loans -- to rural people.

I would like to say here that both SBA and the Economic Development Administration have expended every effort to meet the needs of businessmen in our smaller communities. Some 75 percent of EDA's funds have gone to expand business activity in designated rural areas. Of the more than 68,000 business loans made by SBA, more than half were to firms in rural areas, and nearly half of these rural loans were made during the past three years through intensified efforts to serve smalltown America.

We need, as part of a new national policy, to take actions that will create a climate conducive to the development of Main Street and its business activities. Only when there is a healthy vigorous business climate can a community thrive and grow.

In this connection, we must expand our efforts to build the water and sewer systems needed to clear the way for business and industrial development in rural America. More than 30,000 small communities in the United States are still without modern central water systems. A still greater number lack sewer facilities. To speed up financial assistance to these small towns, President Johnson has recommended that Congress remove the existing ceiling on insured loans for water and sewer systems.

This type of assistance has prove remarkably effective. Small towns, and business activity in these towns, often take a new lease on life when a modern water or sewer system is installed.

President Johnson recognized this, saying "a relatively small public investment will return substantial increases in opportunity" for many rural areas.

In addition to water and sewer financing, training programs need to be stepped up, and increased technical assistance made available, especially to small businessmen.

Another component of this policy would cover public and private financing for outdoor recreation. The Department estimates that 200,000 new full-time

jobs could be created in our small cities and open countryside by 1980 to meet the expanding public demand for outdoor fun.

But many would-be developers of outdoor recreation for pay find private banks unwilling to lend them money. Government funds available for such purposes are, of course, limited. I have already recommended that USDA funds be expanded to meet this need. In addition, the President has recommended that Congress permit farmers to convert entire farms into recreation areas with USDA financial assistance. Currently, farmers obtaining such loans must continue to farm part of their land. This mixture of enterprises has prevented many farmers from making the most of either their recreation business or their farm.

We need to expedite research that will make our programs and administrative policies more effective in bringing about this rural-urban balance.

For example, we need to know more about what happens to rural migrants in the city, of the effect that new agricultural programs and changes in the minimum wage provisions have in stimulating or decreasing this migration. We need to know much more about communities that have experienced a heavy outmigration, why the people left and why those who remain stayed behind. We need to find out more about people who moved to the city, then returned to their rural homes. Did they intend to come back all along, or did they fail in the city and return to a place of refuge?

In this new dimension of national policy, we should also consider questions like these: What is the desirable maximum size for any one metropolitan area? And what are the real social costs -- to the taxpayer and to the individuals involved -- of increased urban crowding?

These, then, are some possible components of a national policy on urban-rural balance.

The nation is going to pay to correct the problems of urban overcrowding and rural decline in one way or another. But today we still have a choice.

We can begin now to disperse people and opportunity into the countryside, simultaneously easing the problems in small communities and large cities. Or we can continue to let matters drift and, in a sense, force people to move cityward.

If we choose not to act, Americans will pay through generation after generation for increased welfare and relief, for increased crime protection, for expanded programs of inner city renewal, for bigger anti-pollution costs, and for a host of other "protections" against the problems of congestion.

Or we can act. We can finance programs to build new industry and business in small communities, expand programs to train the untrained and educate the less educated. We can provide the planning capabilities and other help which, combined with local leadership and local resources, will enable private citizens and public officials to build true communities of tomorrow.

The second alternative is not only more humane -- in the long run it will cost taxpayers less money. It is, in fact, the one alternative that makes sense.

We already have the organization needed to implement such a policy.

There are now about 663 multi-county and 2,700 single county rural area development committees organized throughout the country, in addition to State-wide committees, civic organizations, and local governments.

To improve our effectiveness in working with these groups, we have established local Technical Action Panels, made up of experts in many fields, and keyed to multi-county development. Panel members include representatives of all USDA field agencies in the county and other public officials in the education and health fields who wish to promote community development. The Farmers Home Administration provides panel leadership, and the county Extension agent is charged with providing educational and organizational assistance. As a result, leaders in any rural county have on their doorstep public officials who are ready to help them plan for the future and gain access to applicable Federal programs.

During the past fiscal year, these local development groups carried out more than 6,000 projects that resulted in the creation of some 79,000 new jobs.

For example, a steel fabricating firm in South Carolina is expanding its plant with funds made available by the Small Business Administration, local investors, and the local rural electric cooperative. The cooperative got a loan from our Rural Electrification Administration to help finance the equipment and wiring of the new addition. More than 100 people, many of them ex-tenant farmers who otherwise might have been forced into the city -- perhaps to wind up on welfare rolls -- are being trained for jobs in the plant.

An outstanding example of what rural community leaders can do when they set forth with initiative and imagination to build their communities can be seen in Little River County, Arkansas.

During the '50's, the population in Little River County dropped 21 percent. Everyone wanted out.

In 1964, we designated the county as a pilot area to demonstrate what local people could accomplish when USDA helped them make full use of their resources and of programs and services available from the Government.

We provided a sizeable amount of development funds, but our biggest contribution came when we made available to the local development authority a specialist in community development backed up by the local Technical Action Panel.

A recent report shows amazing progress.

A dam, 3-1/4 miles long, built by the Corps of Engineers has been completed. It forms a large reservoir that will furnish water to a new paper mill now under construction.

A large recreation area is being developed around the reservoir and it is expected to attract one million visitors a year to the area.

Modern water and sewer systems have been built in several communities throughout the county.

A lingerie manufacturing firm recently doubled the size of the plant built two years ago and now hires 230 workers, white and Negro.

A heavy-duty truck trailer plant established in 1964 recently doubled its capacity.

The local hospital recently built a 16-bed addition.

A test program to determine the vegetables that can be successfully raised in the county has been completed and small farmers this year will raise about 500 acres of cucumbers and 500 acres of peas.

Scores of new homes have been built including housing adapted to the needs of the elderly.

Construction has begun on a watershed project.

Family farms have been strengthened.

Various economic indices reflect the new spirit that prevails throughout the county.

During the 1960-65 period, bank deposits went up 73 percent.

Average weekly earnings increased 63 percent - from \$58 to \$94.

Total payrolls went up 273 percent.

Most of these gains were made from 1964 on.

The county today is facing a period of labor scarcity.

This is a complete about-face from a few years ago.

I'll wager there will be a real gain in population in Little River County, before the decade of the sixties is ended. An upward trend already has begun.

This is just one of the many success stories I could tell you about. And just one area of activity.

More than 800 small watershed projects are being developed by soil and water conservation districts, local county governments, and others to control floods and provide water for economic development. In Lewisburg, Kentucky, the Mud River Watershed project includes a 900-acre recreation lake, which is attracting thousands of visitors annually. Cabins and a sportsman's lodge have been built on the lake shore. The additional municipal water supplies made available through the project enabled a new plant to locate in the area, and two other industries are expanding.

We have created within the Department of Agriculture a Rural Industrialization Program to promote these job-creating efforts. We have established effective working relationships with State departments of commerce and industrial development bodies, and we are working to put them in touch with businessmen interested in rural plant locations.

Through legislation which the Congress enacted late in 1965, we were able to make grants to finance comprehensive area plans for rural water and sewer systems. In the 14 months that this program has been operating, we have made 319 planning grants totaling more than \$3.5 million. Nearly all of this money has gone to county governments.

These are just a few of the things that have been done.

USDA plans for the coming year are modest but important. The Farmers Home Administration will:

- * help finance rural housing for 48,000 families.

- * provide \$33 million in Economic Opportunity loans to assist 13,000 low-income families and some 390 cooperatives serving low-income people.

- * help finance 200 community-sized recreation centers -- centers that can create a climate for industrial expansion as in Duplin County, North Carolina, where a recreation development helped attract two plants with 450 jobs.

- * provide \$304 million in loans and grants to construct or improve some 1,700 rural water and waste disposal systems.

These, I say, are just a few of the activities underway that set up a base on which local leaders and a concerned and responsive Government, working hand-in-hand, can build for the future.

Finally, it goes without saying that a vigorous agriculture earning parity of income is the bedrock on which a viable rural economy rests. Since 1960 gross farm income has climbed from \$37.9 billion dollars to \$49.5 billion in 1966. These additional dollars -- and they will continue to grow in the years ahead -- combine with and contribute to the business activities that mean jobs and profits and growing prosperous communities.

This nation is no longer confronted with strictly urban or strictly rural problems. Today we face national problems demanding national attention and a nation-wide attack.

We are at a moment of decision -- a moment of crisis.

I believe that we can choose what kind of an America our children will inherit. We are not the blind pawns of Fate, but rather the shapers of our own destiny.

I believe further that we must grasp this chance to shape our destiny -- grasp it here and now, without further delay -- before the chance for choice eludes us.



COMING OUT OF THE WOODS

Chairman Morriss, Senator Hayden, Secretary Udall, special guests, and members of the Society of American Foresters.

I am told that the Washington, D. C., Section of the Society of American Foresters has in its membership many of the Nation's top forestry policy makers. I am also told that you gentlemen have among you a broad cross section of the public and private natural resource interests. These include the forest industries, citizen associations, consulting foresters, educators, the public agencies, retired foresters, and others. Gentlemen, I commend you all on the choice of the theme for your meeting -- "Environmental Pollution." By so doing you have taken on one of the most talked about and least "done about" problems in America today.

Now, we all know that to the forestry profession goes the credit for developing, testing, using at home, and exporting throughout the world the multiple use concept of land management. But, gentlemen, the theme of your meeting goes beyond this. In a loud voice you seem to be saying, "Listen, America, we foresters are coming out of the woods."

Senator Hayden -- Sir, I believe that you will agree with me that this is good news for the people of America. It is good news because, although foresters plan for the decades, they have a reputation for getting things done today. I'm convinced that a dynamic, understanding ally such as the forestry profession can bring new life to the desperate fight against environmental pollution.

I'm glad to participate in this tribute to our honored guest. Over the decades, his work in the Congress of the United States has helped, in one way or another, to bring better protection and better management to every acre of forest land in America.

In my own Department, forest conservation on private and public lands represents a large share of our effort. While the Forest Service has the prime responsibility for nationwide forestry programs involving forestry research, State and private forestry cooperation, and National Forest and Grassland management, other agencies of the Department of Agriculture also play a vital role. These include the Cooperative State Research Service, Extension Service, Agricultural Stabilization and Conservation Service, Farmers Home Administration, Farmer Cooperative Service, Soil Conservation Service, and Rural Community Development Service. At the core of this cooperation are the family forest owner, the State Forester, the forest industry, the consulting forester, the universities, and other agencies and departments of the State and Federal governments. It takes teamwork and every little bit counts in the effort to provide the people of America with the products and benefits of the forest.

Yes, America's foresters are coming out of the woods. Their deeds and actions are demonstrating that the science of forestry is a broad subject that goes far beyond the task of growing trees. Multiple use management of forest lands means growing of trees, of course, but it also means the production of wood, water, wildlife, recreation, range,

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and special forest products. It means natural beauty. It deals with the development, protection, and management of forest lands and their resources for the benefit of people.

This is a broad social objective - as timely today as it was in Pinchot's time. But I would suggest to this group that you give even greater attention to the shorter run -- especially to what more can be done now for our rural residents. And I would like to put this in the setting of the situation today in rural America:

- (1) Where poverty is relatively twice as great as in our urban areas;
- (2) As migration from rural areas adds to the festering slums of our modern cities;
- (3) Where the desperate plight of the "boxed-in" segment of our rural citizens is a national disgrace and
- (4) Where people with the relatively lower educational and skills levels of this rural group are misfits in a civilization increasingly mechanized and less dependent on common labor.

In this context, the forested areas of our country, which coincide to a major degree with the most economically depressed areas, provide a real opportunity. These areas have marginal agriculture; but in many, forest industries are expanding. This presents a real challenge

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to you people as professional foresters to make your profession contribute far more than it has to date in finding solutions to these problems. This does not mean a lesser concern for the land, but it does mean a greater concern for the people--now, as well as in the long run! This is my message to you as professional foresters; a plea to those of you who haven't already done it to broaden your horizons by coming out of the woods.

It is in this setting, Senator Hayden, that I address myself to your outstanding accomplishments, of which the honor about to be bestowed upon you is merely symbolic--a token of achievement in only one area of a much broader field.

I am told that your forestry interest started prior to your congressional service of over a half century--that when you were a Sheriff in Arizona in the 1910 era, you used to visit the Forest Supervisors' offices and discuss forestry with them. I wanted to call attention to two special Forest Service retirees who were to be with us today--Mr. Arthur Ringland, the first Regional Forester for the Forest Service in the Southwest, 1908-1916, is present. And he was present at the swearing-in ceremony for Senator Hayden as a Congressman in 1912. Mr. Raymond Marsh, former Assistant Chief for the Forest Service and Forest Supervisor at Flagstaff in the early days, was to be with us, but his wife died Sunday night and he could not attend. Our deepest sympathies go to him.

Years later, I'm told your visit with President Franklin D. Roosevelt led to inclusion of a road development program in the National Recovery Act, a most important step which contributed so much to opening up rural areas--including forest roads and highways.

Your support in that same era for the Civilian Conservation Corps program

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needs particular mention. I know that the work these boys did for our forestry and related resources, and in developing themselves as men, has been a source of great satisfaction to you. More than any other legislator, you have participated in the development of American forestry from its infancy to its professional stature today.

As a matter of fact, I am told, your very first speech in the U.S. Congress, in March 1912, was delivered in support of an appropriation for the Forest Service.

You have been an active supporter in the first great wave of public awareness of the importance of forest conservation of the Pinchot era; the second wave of conservation progress under F.D.R.; and even a greater advocate of and supporter for forestry and its related resources in the third conservation wave well under way today. In this wave is the great public concern for our total environment.

I could go into detail, but I will mention only one specific case in the Arizona water programs including the Beaver Creek Watershed. Your leadership in the development of this project is giving us highly significant results and adding to the scientific basis for application of multiple use to forest lands. It would not have been possible without your interest and support. It is giving us the data on a controlled basis for evaluating the effects of different types of treatment on the benefits and returns from these lands. It, in effect, gives us the basis for consideration of alternatives of management--a forerunner of the Program Planning Budgeting System approach which we hear so much about today.

Its application is broad and extends far beyond the water areas of the

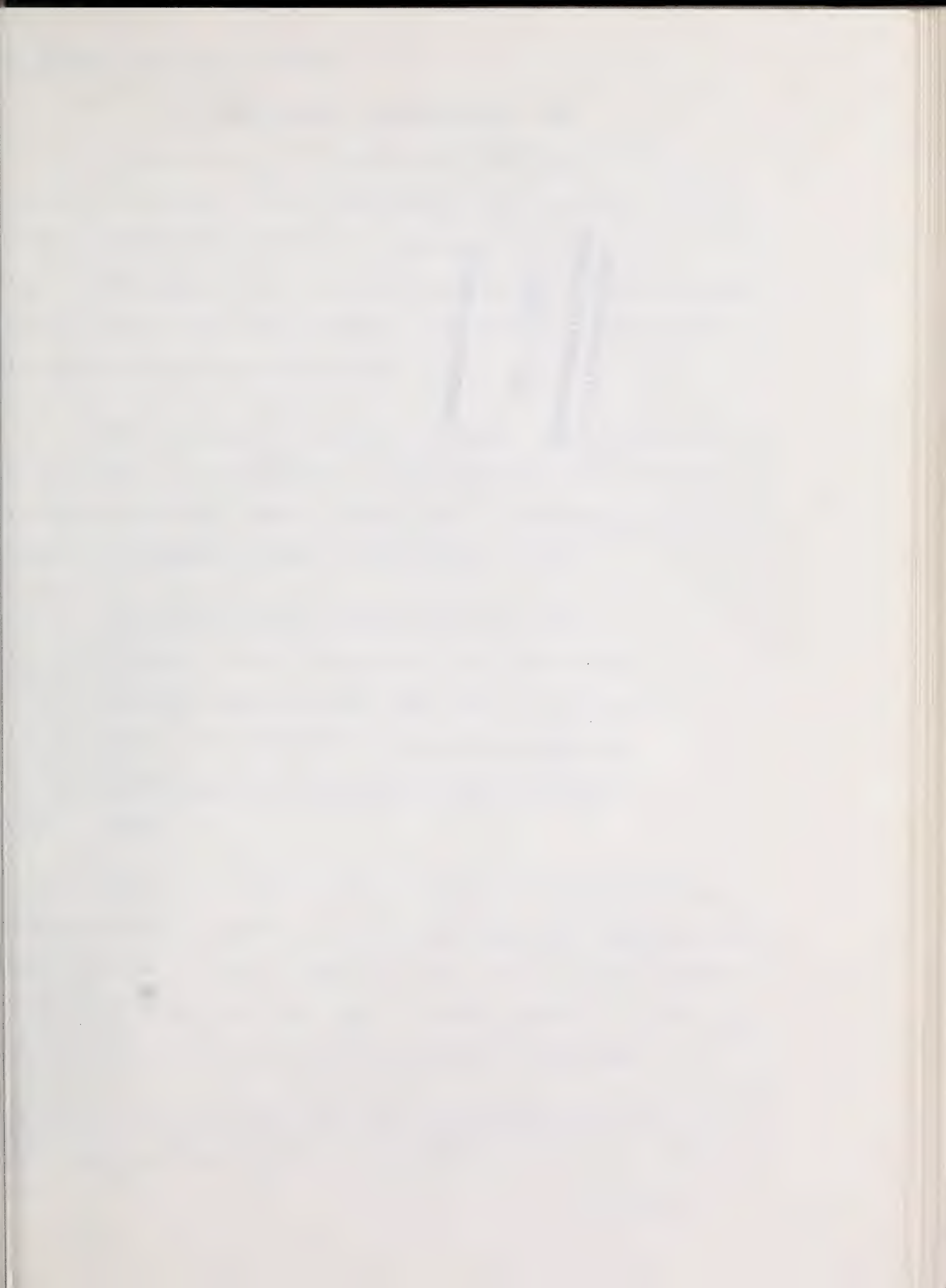
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West. The principles and techniques apply wherever we have forest lands.

There are many other examples that could be named. Stu Udall, I'm sure, will add to this list.

Let me close by saying that I am happy to have the opportunity to speak before this elite group of foresters and to be a witness to the honor that is being bestowed upon you. I shall long remember this day and I know that none of us can ever forget what you have done for the forest lands of America. God bless you!

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AGRICULTURE/2000 -- KNOWLEDGE FOR LIVING

My message today, "Agriculture/2000-Knowledge for Living," is the sixth and last in a series exploring the face of America in the year 2000. And while that year is still three decades in the future, its final shape is being hammered out in the here and now, in a million daily decisions by individuals, business and government, decisions which collectively will determine the course of future events.

What we do about the future is important; what we think about it is, perhaps, just as important. It has always been thus in America. Historian Bruce Catton, chronicling the dream of continental empire that dominated the Republic in the early 19th Century wrote:

"The people could go anywhere they chose, quite literally anywhere; all the way to the undiscovered mountains and the deserts, beyond these to the extreme limit of the imagination. Men could very likely do anything on earth they had the courage to dream of doing."

We still can. We still can do anything we have the courage to dream of doing, if we want to do it badly enough. The Agriculture/2000 series has been an attempt to map part of the future; to point out some of the alternate routes; the rough roads and smooth that we'll encounter on the road to the kind of world we dream about in the Year 2000.

Address by Secretary of Agriculture Orville L. Freeman before New York State Agricultural Leaders, Cornell University, Ithaca, N. Y., 2:30 p.m. (EST) Thursday, March 23, 1967.

Faces of the Future

The first three of the Agriculture/2000 series dealt with the implications that flow from some known facts: That the United States, in the Year 2000, will be a nation of from 280 to 350 million citizens, that we will inhabit the same fixed number of square miles as today; that we will live from the bounty of the same thin layer of topsoil that feeds 200 million Americans today.

Extrapolating from this, we explored questions like these: ... Will Americans live in ever more-crowded urban complexes in the Year 2000, or will population -- and the jobs to support it -- be more evenly spread over the land than today? We explored the future of the family farm -- which, in another 33 years, will be feeding three Americans for every two it feeds today ... And finally, we explored the impact of a 50 percent increase in population on fixed resources of land, water, open space, and outdoor recreation in the Year 2000.

The next talk in the series concerned itself with how a world population which will double in the next 33 years will feed itself; and the fifth, entitled, "Science in the Service of Man," discussed the agricultural technology needed so that the abundance that is our greatest national strength today will continue tomorrow.

Each of these talks explored a different facet of the future; each concerned itself with basic Department of Agriculture responsibilities in food production, conservation, rural development, food aid, consumer services, science, and research.

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The USDA, of necessity, is a future-oriented organization. The trees that will mature a hundred years from now in the National Forests are being planted today. The soil that will have to feed the next generation of Americans is being conserved by Soil Conservation Service technicians today; the knowledge needed for Year/2000 agriculture is being developed in USDA laboratories in 1967.

Living in 2000

With this in mind, let's open the door and peek at the many-faceted face of the future -- a typical home in the Year 2000.

It's in the countryside, because we've succeeded in dispersing jobs widely over rural America, bringing the factories to where the people want to live, rather than stacking up most of the people in crowded urban complexes, where most of the jobs are to be found today.

The home -- part of a cluster surrounded by an open park -- is in one of the thousands of "new towns" which now dot rural America, each containing its own shopping center and factories within easy walking or driving distance.

Inside, the home is divided by movable partitions, rather than by rigid walls, to increase or diminish the number of rooms as the size of the family changes.

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In the kitchen, one wall contains the refrigerator, a built-in unit with pull-out drawers, each with a different temperature for different foods, each with its automatic defrosting unit. There's still a dishwasher, for, although disposable dishware is used for everyday occasions, most housewives still prefer china when company drops in.

The contents of the refrigerator may startle us ... square tomatoes bred by plant geneticists for less damage in shipping ... frozen lettuce and salad mix -- preserved by cyrogenic advances -- with all the flavor and characteristics of today's fresh lettuce ... instant sandwich mixes.

Contents of the cupboard are even more exotic ... sheets of freeze-dried catsup, barbecue sauce, gravy, pickle relish and syrup, ready to be reconstituted at the housewife's convenience, good indefinitely without refrigeration.

Some of the products look familiar, but are radically different from today's food: High protein corn products and cereals, bred by plant geneticists ... meat, tailor-produced for the exact fat content desired ... milk with whatever butterfat content the family desires for its own dietary requirements.

We'll still like the old foods, but we'll also be trying new flavors. Breakthroughs in the molecular chemistry of flavor are not far away now, and will be an accomplished fact in another three decades, allowing us to intensify the flavor of bland foods, remove objectionable flavors from otherwise nutritious commodities, or even to make an inexpensive food -- soybeans, for instance -- taste like steak.

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On the wall, above the laser-beam meat slicer, is a hook, but no flyswatter hangs on it. The flyswatter has joined the buggywhip in oblivion, for the common housefly will have been eliminated by new techniques in black light, infrared or magnetic waves, or perhaps bred out of existence by sterilization of the population, much as the screwworm was eliminated by Department scientists back in the sixties.

Harmful insects will be just as rare in the fields where this food is produced, and the fields themselves will be programmed to produce exactly the produce needed, when it's needed, and in the form wanted. Whole fields of vegetables will mature at the same hour, in standardized sizes, to allow machine harvesting, the only kind of harvesting we'll know in another 33 years.

The man who grows this food also will have a big hand in the system which delivers it to the consumer, because he will have taken action, in the 70's, 80's and 90's, to move his own farmer-cooperatives into the processing-marketing complex to gain for himself a bigger share of the consumer's dollar than he now enjoys.

His cooperatives will be serviced by a central computer system that keeps a running count on the amount of food consumed last year, the amount left in stock and production needed in season to meet demand.

This system will be wired into an instantaneous market news service supplying current market conditions, much like today's stock market report, a service that assimilates sales, highs, lows, and volumes of transactions for all commodities.

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The commodities themselves will be guaranteed for wholesomeness by a federal-state network of inspection programs designed to guarantee the purity of all foods, regardless of point or origin, much as the present system guarantees the purity of meat and poultry in interstate commerce.

The consumer, meanwhile, will be working less, but enjoying it more. The 30- or 35-hour work week will have become a reality, for most wage earners, and the one-and-a-half trillion dollar gross national product an accomplished fact.

The median family income, measured in constant, 1967 dollars, will surpass the \$11,000 a year mark -- against \$6,880 today -- and 1 family in 4 -- compared with 1 in 18 today -- will be in the \$15,000 a year and up class. The farmer, in command of scarce and highly technical skills needed to feed a burgeoning population, will earn more than that. This will be a matter of necessity, for if we haven't learned by then to reward his skills and investment adequately, we won't have a competitive family farm agriculture, and all the progress we have predicted may never come about.

But some things will still be the same: Expenditures will still rise to meet available income in the average family; the cry of the harassed husband -- "where does all the money go?" -- will still be heard in the land.

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And so some of the same old worries will still be with us -- but other worries will have been eliminated. By the 21st Century, human nutritional research will have discovered a great deal more about the relationship of heart disease, strokes, and cholesterol levels in the blood stream, tying this knowledge to the food we eat, and thus lessening the incidence of these crippling conditions. (We have already discovered, for instance, that the amount and kinds of fat in the diet may not be as important to the cholesterol level as the types of carbohydrate combined with the fat we eat.)

USDA scientists have already developed a much deeper understanding of nucleic acids, blood antigens, and the fundamental processes of genetics than in the past. Research will probably give us the answers to eliminating genetic defects and diseases. Other USDA scientists, now experimenting with methods to correct defects in animal fetuses, may have found ways for the medical profession to apply their discoveries to correcting human birth defects in the Year 2000.

Knowledge for Living

Meanwhile, back in Washington, the Department of Agriculture will be geared up to answer between two and three million information requests yearly, rather than the 600,000 we answered last year.

We'll still get questions like this one ... which actually came in during 1966:

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"Can you send me a recipe for home brew? If I can improve my flavor I can get another 25 cents a bottle for it ..."

And this one: "I hear there's a machine that produces eggs without chickens. Where can I buy one?"

Our answer will still be "no" to the first request -- but quite possibly "yes" to the request for machine-made eggs.

We can expect fewer questions on grades and labeling, because in another 30 years they'll have become standardized in all parts of the marketing system and all parts of the nation.

We have the beginnings of such a system today for some foods -- the coordinated quality grades for live cattle and for beef, for instance, which make it possible for the producer to tailor his product to meet the wants of consumers -- expressed at the retail counter through their large volume purchases of choice grade beef. But we have a long way to go for some other foods. For example, milk with less than 3 percent butterfat in one State must be labeled as "skim," while in another State milk can be labeled "skim" only if it has less than 1 percent butterfat.

We'll have a Federal-State network of inspection programs to guarantee the wholesomeness of all foods, comparable to that for meat and poultry products, regardless of where they are produced or whether or not they are shipped across State lines.

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The supermarket will be different, too. Rather than stocking items for carryout, it will have become a giant sampling shop, where the shopper picks out what she wants from the display, inserts her credit card into a slot, and picks up her purchases at the door. Bills will be totaled automatically and long waits at the checkout stand will be eliminated.

Perhaps this seems far out. I don't think so. Actually, it's probably a rather conservative picture of the future. The technology I've discussed in the past few minutes is either already in existence or is now being researched. Many more developments -- which haven't even been thought of yet -- will become visible in the future.

Think back, for a moment, to the year 1934, the second year of the New Deal, a year as far in the past as the 21st century is in the future.

Who, save a handful of prescient physicists, foresaw transistors, computers, hydrogen bombs, satellites, and the moon rocket? In the social sciences, who foresaw the explosive growth of the suburbs, the impact of a nationwide television net, reapportionment, civil rights bills, demonstration cities, cold wars, and new nations?

All of these things fundamentally altered the very character of American life, shattering old patterns, creating new ones. And all the king's horses, and all the king's men can never put it back together the way it was.

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The pace of change is growing almost geometrically. And so we know that the world of the Year 2000 will be different in kind, as well as in degree, from today's world. To some this is frightening; to me it is challenging and exciting.

The Food-Income Equation

And yet some things won't change. People will still have to eat, farmers will still be growing the food that feeds them, and if we are to maintain the same basic economy of abundance we enjoy today, the producer of this abundance will have to be more fairly rewarded than he is today.

And herein lies a serious threat to our future. Today's prosperity, as in the past, rests on agriculture. Agriculture is one of the top dollar-earners for the U.S. abroad. Agriculture still is our largest single consumer of goods in the domestic economy. Although fewer than 6 percent of our people live on farms, they feed the rest of our population better, and at lower real cost, than any other people in the history of mankind are fed.

The 94 percent of our population that is nonfarm is able to devote its time and talent to producing the other items we need and want to live a better, more satisfying life. As a result, this nation enjoys the highest standard of living in the world, and our prospects for an even better life in the Year 2000 are bright.

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But what has been built up can also be torn down. This has happened to other great civilizations, and it can happen here, if we fail to heed the legitimate needs of the American family farmer.

Today that farmer is seriously underpaid -- and this cannot long continue. In a full employment, free enterprise economy such as ours, capital and knowhow will go elsewhere if they are unrewarded in agriculture. If this happens -- if the family farm system is wrecked and monopoly agriculture develops in the U.S. -- the bright promise we predict today for the Year 2000 may well be lost.

This is primary. The system of agriculture that we enjoy today, with ownership, decision-making, responsibility and rewards widely dispersed, in many hands, rather than in just a few, is the most efficient, most productive, in the entire world.

Over the past few decades American farmers have increased their productivity at a rate twice that of American industry. Over the same period they have provided the life-saving margin of food for literally millions of hungry people overseas.

It is this system of family agriculture that must be passed on to the future, if we are to enjoy the same kind of abundance that we have enjoyed in the past. It is this system, rather than monopoly agriculture, that best serves the consumer of today and of the Year 2000.

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There's nothing theoretical about it? The consumer has a material, dollars-and-cents interest in preserving the family farm system. This is true today and it will be true in the future. Under this system, the American consumer -- despite recent price rises -- is eating better food, at a lower real cost, than he ever has before. The average family today spends 18.1 percent of its after-tax pay on food -- the lowest average in the world, and by far the lowest in our entire history. In 1947 this same family spent 26 percent. If the percentage of take-home pay spent for food remained the same as it was in 1947, \$38.6 billion would be added to the nation's food bill, or about \$780 a year to a family of four.

Let's compare 1960 with today to see how much more we can buy now than we could then. One hour of factory labor earnings in 1966 bought:

12.2 pounds of white bread ... compared with 11.1 pounds in 1960.

2.4 pounds of round steak ... compared with 2.1 pounds.

3.3 pounds of butter ... compared with 3 pounds.

9.7 quarts of milk (delivered) ... compared with 8.7 quarts.

4.5 dozen eggs ... compared with 3.9 dozen.

36.1 pounds of potatoes ... compared with 31.4 pounds.

15.3 cans of tomatoes ... compared with 14.2 cans.

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But today the system that made this record possible is threatened by too-low farm prices. Low farm prices have been prevalent over too many years of this century, but the great difference is that today, in a full-employment economy, with numerous alternative opportunities for employment in the nonfarm sector, the farmer can go elsewhere. And what is true of manpower is also true of capital. Today's advanced agricultural technology requires massive infusions of capital. If returns are too low in agriculture, capital will find investment elsewhere.

Both consumers and family farmers should be aware of this threat. Each has a stake in meeting and resolving it. Thus knowledge for living, in its deepest and most fundamental sense, must include an understanding of the basic factors that influence, for good and ill, the abundance that so many of us take for granted. Facts like these --

First: Last year, despite the second-highest net farm income in national history, and despite a 70 percent increase in net income per farm since 1960, the farmer's income still lagged 1/3 behind that of nonfarm residents.

On a per capita basis, farmers averaged \$1,731 last year, nonfarmers earned \$2,618 per capita.

Second: Food prices and farm prices are two different things. It is important that consumers make this distinction.

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Last year the food price index was up 35 percent over the 1947-49 average, but the farm price index was down 2 percent!

In this same period the average family upped its weekly grocery bill by about \$10.50 a week. Of this increase, roughly \$8.95 went to the marketing sector, only \$1.55 to the farmer.

A homier example of this is found in a loaf of bread. In 1950 the farmer received about 2½ cents for the wheat that went into a one-pound loaf. Back then the loaf retailed at 14 cents. In 1966, the farmer got about 3 cents for the wheat in a loaf of bread, but the consumer paid 22.2 cents a loaf, national average. And so, while the wheat farmer upped his share of the loaf less than one cent, the consumer paid another eight cents.

Market Basket Extras

Third: In fairness to our processors and distributors, the most efficient in the world, we should take notice as to where some of the added food dollars are going. Many are going for higher costs in all phases of the system ... labor, taxes, rent, transportation, and other items. Many more dollars are being spent for higher-priced foods, extra services at the supermarket, built-in preparation of foods and other items which, in effect, exchange consumer dollars -- not for food as such -- but rather for consumer conveniences and improved diets. For instance --

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-- Over the past 20 years, consumption of meat, a relatively high-priced item, is up 20 pounds a person, but consumption of cereal products, a lower-priced item, is down 25 pounds a person.

The typical supermarket today stocks from six to ten thousand items on its shelves, double the number of 20 years ago. This increased choice costs money. Each year an estimated 1,500 new grocery items are introduced, most of which represent additional processing of farm products. Researching, processing, and stocking these products also cost money, and the consumer eventually pays it.

Convenience foods -- to the extent they're purchased by an individual housewife -- also add to the food bill, but not to farm prices. A good example is the TV dinner, which retails for about 60 cents. Prepared at home it would cost 20 cents, and in either case, the farmer gets only about 8 cents of the total at the farm level. These built-in conveniences are a great thing for housewives, many of whom work outside the home today, supplementing family income. Built-in conveniences save them precious time. But pre-processed foods also cost more money.

Fourth: Housewives feel more strongly about food price hikes than they do the climb in the cost of other items. Food is both a necessity and a daily item on the household budget.

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Medical care also is a necessity and has risen at a rate twice that of the increase in food costs. But medical bills are in the nature of exceptional charges, for most of us, and we tend to accept these increases, albeit reluctantly, while we resent food price increases.

And finally: Many of the items in the grocery bag, which we tend to lump into the food bill, aren't food items at all. Last year, for instance, USDA figures show that about one dollar in ten spent at the grocery store was spent for nonfood items.

According to Sylvia Porter, the nationally-syndicated financial columnist, the five fastest growing items in sales in supermarkets are housewares, paper towels, deodorant soaps, liquid laundry starch, and paper cups -- all nonfood items. Some 57 percent of our toothpaste is now purchased in food stores.

I'm convinced that many of these facts on farm and food prices have already sifted through to consumers. For one thing, last summer's wave of boycotts and housewives' protests on food prices were directed, in the main, at trading stamps, bingo and other frills, rather than at farm prices. I can't recall a single instance in which the farmer was accused of profiteering at the expense of the consumer.

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Another encouraging sign is the removal of the "surplus" label from the American farmer. This epithet dogged him throughout the 1950's when he was pictured, in much of the urban press, as a man with two Cadillacs in every garage and too much wheat and corn in every storage bin. There has been a shift in this false, ill-deserved, derogatory image -- never true or fair, but one that existed nonetheless in the minds of many urban consumers. Most Americans are now aware that the farmer is working out his problems. Surpluses are gone. The farmer has new stature as the possessor of the knowledge vitally needed to feed an exploding world population.

The Department of Agriculture, its Secretary, and numerous private groups have worked very hard so that the consumer's "knowledge for living" would include a fair portrayal of the farmer, his triumphs, and his problems. While this job is far from completed, I believe that we are beginning to overcome many of the misconceptions that formerly stood in our way.

Few consumers, knowing the facts I have just outlined -- that the average farmer's income is two-thirds that of urban residents; that farm prices are two percent below those of 18 years ago -- would argue that the farmer is overpaid. Few consumers, once informed of the miracle of abundance that the family farm system has produced, would wish to trade it for any other system.

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I am a believer in this system, and I am optimistic that our goal of parity of income for the adequate-sized family farm will be reached. In the first address in this series, "Income and Abundance," I outlined some of the methods for doing so. With maintenance of our voluntary farm programs, a relatively free market and strong world demand, we are on the right track to achieve this end.

My remarks today are the last in the "Agriculture/2000" series.

No one can predict the future with absolute certainty -- and it is well that this is so. But we can dream. We can hope. We can even project, with some certainty, based on what we know and what we want. This is what I have attempted to do in the Agriculture/2000 series.

Will all of the predictions come true? Time alone will tell. I know only this: That the world of Agriculture/2000 will be a better world than that of 1967. I know this because you -- and millions like you throughout the United States -- will make it so.

I hope that this series will help in your efforts.

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U.S. DEPARTMENT OF AGRICULTURE
Office of the Secretary

I'm honored to be with you this evening to help celebrate the Golden Anniversary of this great farmer-owned lending institution.

The remarkable success of the Farm Credit System has put a new phrase into the lexicon of agriculture. The Federal Farm Loan Act that authorized establishment of the 12 Federal land banks half a century ago has become deservedly known as the "Magna Carta of American farm finance."

Governor Tootell has described how this Act gave farmers an economic lever in the previously off-limits machinery of banking and finance ... and how the application of cooperative principles to farm finance produced striking results.

A farmer or a rancher borrowing from the Farm Credit System has an immediate vested interest in its successful operation, and a voice in his association's management and policy-making. The borrower's awareness that this was his own credit system has been a very vital factor in the success of the System.

The very fact that borrowers can own their own credit system takes the sting out of Victor Hugo's remark that "a creditor is worse than a master; for a master owns only your person, while a creditor owns your dignity and can belabor that."

And the proved success of the Farm Credit System gives lie to John Ruskin's observation that "Borrowers are nearly always ill spenders."

Address by Secretary of Agriculture Orville L. Freeman at the Federal Land Bank 50th Anniversary Dinner, 8:00 p.m. EST, Monday, April 3, 1967, Statler Hilton Hotel, Washington, D.C.

As a matter of fact, most of the old Puritan ethic prejudices against borrowing have been refuted on a hundred fronts in modern times ... and though we don't have to subscribe to Artemus Ward's contention that we should all live happily within our means -- even if it means borrowing to do it -- I think we're all agreed that judicious borrowing has a rightful, proper, and worthwhile place in our economy. The need for credit will continue to expand as the family farm grows larger.

In the case of the Farm Credit System, the argument for the legitimacy and value of wise borrowing can be made on institutional as well as individual grounds, for traditionally the system has been intimately -- and successfully -- concerned with elevating American agriculture to ever greater levels of achievement.

"PROVIDERS OF PLENTY"

As you pause for your Golden Anniversary celebration, you have chosen to pay tribute to the American farmers as the "Providers of Plenty" ... a most appropriate theme.

America's "Providers of Plenty" have wrought the greatest productive miracle of modern times and are the agricultural envy of the world.

Never before have so many eaten so much of the abundance produced by so few. Today, in a world where two-thirds of humanity have inadequate diets, it is fitting and timely that we take this occasion to pay homage to the American farmers, the greatest "Providers of Plenty" in the history of man.

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Earlier today, you heard the President describe many of the benefits of abundance provided by the American farmer. You heard him tell how only 6 percent of this population provides 197 million Americans with the best diet in the history of the world.

You heard him describe how American farm production per man-hour has nearly doubled in the past ten years, how productivity per acre by our farms has increased 76 percent, and output per breeding animal has doubled in the short span of only four and a half decades. And how one hour's farm labor today produces five times more than it produced in 1921.

He may have told you, too, how agriculture has contributed significantly to export earnings. If the volume of farm exports continues to increase at an annual rate of 4 to 5 percent, farm exports could reach \$10 billion or more a year by 1980.

And you heard the President describe how the American farmer is helping to meet this nation's humanitarian responsibilities ... helping to feed 60 million Indians a year, and 100 million other hungry people abroad.

Never has the world seen such an outpouring of bounty from one nation to others ... but even this has not yet overstrained the productive capacity of American agriculture.

We are not short of food in the United States. And we will not be food-short in the foreseeable future ... thanks to the productive genius of our farmers -- those denim-clad entrepreneurs ever on the look-out for better ways to grow crops and animals.

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THE FARMER AS CONSUMER

In order to improve production, the American farmer has become a heavy investor in the tools of modern technology. And this brings me to another in the long list of agriculture's contributions to the economic health of this nation -- the farmer's role as consumer.

It is the farmer's gross income that is spent on Main Street and proliferates throughout the entire economy ... and last year gross farm income set an all-time record -- \$49.5 billion. This is 10 percent greater than in 1965 ... and 31 percent higher than it was in 1960.

This means farmers had \$11.6 billion more to spend last year than they had the first year of this decade. And spend it they did. Investment in farm machinery alone increased from \$22.3 billion in 1960 to \$27.5 billion last year.

During the same period, total farm debt increased from \$24.9 billion to \$41.6 billion ... but farm assets increased even more -- rising from \$204 billion to \$256 billion.

The Main Street boom has spread across the country, creating jobs and spendable income -- and thus more jobs -- wherever it is felt. Employment at John Deere and Co. has increased by 11,000 workers in the past five years, and from 1965 to 1966 it jumped 2,600. Another of the major implement firms, J. I. Case Co., not too long ago began construction of a new million-square foot tractor parts plant to meet the booming farm demand.

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All of this has contributed significantly to the healthiest, most vigorous national economy we've ever had -- an economy which has seen: the gross national product grow by \$256 billion from the start of 1961 to the close of 1965 ... personal income increase nearly \$200 billion in the same period ... factory worker wages climb by 21 percent ... and corporate profits after taxes almost double.

THE FARMER IN OUR HISTORY

The farmer's contributions to the national economy and to the health and comfort and well-being of our citizens are as old as the nation itself ... but in our brief history we've seen his own prestige and influence and prosperity chart a roller coaster course.

Ironically, the "Provider of Plenty's" own fortune has been linked -- not to abundance -- but to shortage. When demand outstripped production, the farmer gained in income and importance. When production outstripped demand, his income and influence declined.

Throughout World War II and the Korean conflict, the farmer produced to intense demand and reaped fair returns and grateful recognition. But the technological advances that enabled him to meet war-time demands betrayed him once the emergencies were over.

By the beginning of this decade, peacetime overproduction had stolen much of his earning power and robbed him of much of his prestige. By the close of the 1960-61 crop marketing season, we had a stockpile of 1.4 billion bushels of wheat and 85 million tons of feed grains -- and net farm income had plummeted \$2.4 billion in eight short years.

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The outlook could scarcely have been gloomier.

A NEW ERA

But -- in six short but eventful years -- American agriculture turned the corner from pessimism to promise. Playing a key role in this turn-about were the five major farm bills passed in the last six years.

The first four put agriculture well on the road to higher income and surplus reduction. The fifth, the Food and Agriculture Act of 1965, enabled us to continue toward these goals ... and provided the flexibility needed to produce to specific need and to facilitate supply-demand balance.

The surpluses of the Fifties are gone. By the end of January, the Commodity Credit Corporation investment in farm commodities was down to \$4.37 billion, a reduction of \$2.47 billion from the previous year, and about \$4 billion less than the peak investment years of 1956 and 1959.

The market is freer of Government than it has been for 30 years, and nearer supply-demand balance than it has been for half a century. And now -- for the first time in years -- our farmers are being asked to grow more ... instead of less.

This combination of surplus reduction, increased demand, farm production and marketing efficiency under the new programs, and Government price support and incentive payments brought the American farmer one of his best income years in 1966.

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While total gross farm income was setting an all-time record last year, net farm income was climbing to \$16.3 billion, the second highest in history. This was 40 percent greater than it was in 1960, and 15 percent higher than in 1965. Realized net income per farm also set an all-time record at \$5,024 ... 19 percent higher than the year before and 70 percent higher than in 1960!

THE CHALLENGES AHEAD

On the face of it, this should constitute a record of reassuring progress. But instead there is much unrest, uneasiness and apprehension on the farm and throughout agriculture. No one is more aware of it than the Secretary of Agriculture. This being the case, it is timely I think for me to share with this audience of distinguished leaders in American agriculture, and through you to all our farmers, some of my thoughts and expectations and plans for the future.

There are tangible and intangible reasons for farmer concern today. Despite a 70 percent increase in net income per farm since 1960, the average farmer's income still lags a third behind that of nonfarm residents. Farmers averaged \$1,731 per capita last year, while non-farmers averaged \$2,618.

Then, too, farm production costs have risen ... and farm prices have slumped some in recent months. The prices received by farmers were down 7 percent in March from a year ago, but the prices paid by farmers were up 3 percent in the same period.

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We hope we've seen the low point for the year, and that prices will strengthen in the months to come. But the situation does point up the crucial need of convincing the consumer that farmers must have stronger farm prices ... that this is justified as much by consumer self-interest as it is by fair play to the farmers. If prices aren't strengthened, the squeeze may cost us farmers, cost us production ... and in the long run cost us much more for food in the future.

But there is an even deeper and more fundamental reason for today's farm unrest.

In this latter half of the 1960's, American agriculture has entered a new era where exploding technology is married with new public policy ... where surpluses are gone ... where farm income has climbed rapidly ... where world demand promises to continue strong and the American farmer is in a position to compete aggressively for new markets.

This is indeed a new era, an era of substantial progress and promise. But in its newness, there is much that is strange ... and strangeness causes anxiety and uncertainty.

In a single year -- 1966 -- the farmer saw his net income increase over \$2 billion -- or 15 percent. The farmer lives on a tidal wave of hope in an uncertain world, and the tidal wave of 1966 carried him further than he had gone in any one year of the past 20.

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But now -- to him, at least -- the first months of 1967 with lower prices do not seem to be maintaining the economic thrust that will continue the gains of '66. To some, it appears that the farm economy has lost its forward thrust and is now receding from the income records it made.

I don't think we have lost our forward momentum but I do understand and share the anxiety of the moment.

Another reason for unrest is the change in philosophy and practice in some of our key commodity programs. The certainty of the old mandatory programs -- inadequate as they were -- is gone. They had one significant attribute -- everyone knew that the market price would be at, and in practice it was usually below, the loan level. So, if you wanted to criticize market prices, you could take aim at the support level. But the producer could always depend on that relatively high fixed loan level. As we all know when controls were loosened, the high loan level programs for all practical purposes destroyed themselves as they built up the enormous costly surpluses of the 1950's. Nonetheless, under the old programs the farmer did know about where he would come out on price. He could depend on the loan level.

This is all changed now. The loan level in the new era production payment programs is geared to make today's farmer competitive in world markets without export subsidy -- while additional direct payments are made to insure more adequate farm income. The loan rate on most commodities now is well below the market price.

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This makes farmers more market-oriented ... and more anxious. Take the market on wheat. It's jumping like the young people's coffee houses in my neighborhood. In the last six months, it has ranged from a high of \$1.90 at the end of November to a low of \$1.68 at the end of January. It raced back to \$1.91 in March, and last Friday it dropped to \$1.80.

That's enough to make anyone anxious. Unfortunately, anxiety sometimes translates into oversight.

Some farmers now write to me and demand that we increase the loan rate, apparently seeking to reinstate the old relationship where market prices seldom if ever exceeded the loan rate.

But they forget about direct payments -- which for the 1966 crop -- are bringing the average farm price for wheat to \$2.14 a bushel, blend price. If anyone had predicted to me as late as 1965 that wheat farmers in the United States would get a blend price of \$2.14 a bushel for the 1966 crop (while Canadian wheat farmers are estimated to be getting \$1.60) I would have responded instantly -- "Impossible!" Yet that is the situation today.

As a matter of fact, we now expect to see our wheat producers reap a record income from the 1967 crop because of record production, fair market prices and marketing certificates.

Yet some wheat farmers look at the \$1.25 loan rate and write me worried letters.

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This puts the Secretary of Agriculture in a very difficult position. How can he convince farmers that if they follow the course of action some are demanding -- action based on our old traditional high support programs -- they stand to lose millions of dollars in income?

This, I believe, is the real danger in this period of uncertainty and unrest, anxiety and uneasiness. It's all too easy to lose sight of the real promise of the new era. And if we lose sight of the reality of that promise and don't give our new programs a chance to work -- the farmer can lose all he's gained in the past six years.

I appreciate the reasons for farmer uncertainty. I share it keenly. The programs of the new era -- programs that insure more freedom and promise more income -- are harder to administer, harder to explain, and harder to get agreement on. As I've said a number of times, with surpluses gone and the new programs in effect, we're in an entirely new ballgame ... and it isn't easy.

The Secretary of Agriculture must make decisions on such things as acreage allotments, acreage diversion payments, and price support programs. And he must make these decisions in such a way as to assure enough production to meet our needs at home and around the world ... but not so much as to adversely affect farm prices. On occasion I have described the Secretary of Agriculture as kind of a referee. It is his job to keep the teams of supply and demand on the playing field of the market. If he can do that it will be a fair contest and all will benefit. But if either supply or demand get out of bounds there will be chaos and everyone will suffer. It isn't easy to keep supply and demand in workable balance. Hence the uncertainty we all feel today as we try to adjust to this new era.

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USDA 1063-67

We harvest around 100 million acres (6 billion bushels) of feed grains a year. A 3-to-5 bushel variation per acre because of weather is not unusual. With such a variation, absolutely accurate estimates and perfect judgments every year are impossible.

Right now we face a serious drought threat in the Southwest. If rain doesn't come soon, wheat production will be sharply cut in a number of areas. Should that happen, our supply -- though less than estimated -- will still be comfortably adequate because we increased allotments an additional 15 percent last August.

But -- if the rains come soon and plentifully, we can have a bumper crop of wheat. Then prices will be lower ... (although I think well above the loan rate) and the Secretary of Agriculture will be accused by some of having depressed them on purpose. He's apt to be a hero or a bum, as I've said many times, depending upon whether it rains or shines.

What is true of wheat is true of feed grains. There's still time to alter this year's feed grain program to get more production. Many are urging that we do just that. But most of those doing the urging aren't really very much concerned about farm income. So here again, we've got to balance need against income for the farmer -- most of which comes from the market -- and try to make the right decision.

The Secretary of Agriculture as he administers these new programs is doing his very best to help farmers -- to provide the marketing system with adequate supplies -- but at the same time to avoid oversupplying available markets and depressing farm prices.

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It is implicit in this new system that the trade and the farmers carry our food reserves. Government stocks are now held at a prudent minimum so market prices will not be depressed by the very existence of large stocks in Government hands.

This means the consumer will pay much of the cost of carrying the reserve that protects him and insures an adequate food supply. The alternative is having the Government lock up the reserves somewhere ... in which case he also pays but as a taxpayer rather than a consumer.

We've got to have reasonable reserves to guard against a food shortage, but we also must pay the bill to hold them. We can pay it as taxpayers if the Government stores it. Or we can pay it as consumers if it's carried by farmers and the trade.

Under the new system, the market is being tested to see if it can and will carry the necessary reserves ... and at the same time bring a fair return to the farmer.

I think it can. I think our producers can market their products skillfully and earn a fair reward in the confidence that:

(1) In average crop years, the market will return them fair prices with minimal Government action. (It must be remembered, however, that even in such years Government purchases serve to bolster farm prices. Last year, for example, the Government, in effect, bought \$1½ billion worth of farm products such as wheat and flour, rice, cotton, feed grains, fats and oils, livestock and poultry products and peanut butter for

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such programs as Food for Freedom, school lunch, school milk, and distribution to the needy.) (2) In years of large supply, the Government will increase its purchases to prevent depressing farm prices.

If -- at the same time that the Government is prudently using its buying powers -- farmers join together in their cooperatives and farm organizations to develop new skills in marketing and new levels of cooperation, I'm sure we can continue the march we began in 1961 toward the goal of just and fair farm income.

As we consider our new era programs, and attempt to weigh their effectiveness, I think it's appropriate to consider the alternatives. Few things in this finite world of ours are perfect. What then are the alternatives to the new era programs which we have developed in the crucible of trial and error and political combat these last six years?

At one extreme we have the "no program at all" program. Only one of our major farm organizations advocates this. To me it is entirely unacceptable because it would cut farm income by a third. If that happens and land values topple with farm prices, our total economy -- farm and nonfarm -- will be shaken to the core.

At the other end of the scale, we have the high, rigid price support program. This means rigid controls based on bushels, pounds, and acres. This would appear to be impracticable. There are two parts to the test of any farm program. It must be passable in the Congress ... and it must be workable. Both the Congress and the farmers have rejected mandatory controls before and in my judgment would do so again.

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So it appears to me that we are left with the present programs mandated by Congress in the Food and Agriculture Act of 1965 ... and the question of whether we can make them work. The Congress has given us four years to do this. We owe it to the Congress and the program to give it a full, fair test, adjusting and improving as we go along.

After all, the first year of our New Era Programs set new records for farm income when both gross farm income and net per farm income reached all time highs.

This means we shouldn't hit the panic button every time the market price varies with the weather. We shouldn't write off a program that gave us a bumper income year just because prices are down a little right now. Let's withhold judgment. Let's wait to see if the good in the system outweighs the bad in the next four years.

I'm confident it will. I'm heartened by the progress we've made so far. I believe we can continue that progress -- if we have confidence and determination, if we are courageous and prudent, if we do our job as well in the future as we have in the past, and if -- as the youngsters say -- we all keep our cool.

Thank you and good night.

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U.S. DEPARTMENT OF AGRICULTURE
Office of the Secretary

I am very glad to be here, both for personal and professional reasons.

I have a long-standing personal commitment to wilderness and its preservation. Like your commitment, mine is the result of experiencing for myself what wilderness has to offer. I have packed and camped in the Bob Marshall, the Sawtooth, and the North Cascades. I've enjoyed the Boundary Waters Canoe Area, back home in Minnesota, ever since boyhood.

These trips, most of them with my family, others with Ed Cliff -- one with Justice Douglas -- have reinforced my feeling for the values that wilderness offers to each of us ... a sense of timelessness ... a renewal of spirit ... a going back to our origins ... things that are becoming lost almost beyond recall in this seventh decade of the 20th Century.

And so I have a deep personal commitment to the values in which your organization has believed since the days of John Muir.

I am also interested in wilderness for professional reasons. As Secretary of Agriculture I have final responsibility for administering our present Wilderness System and for recommending additions to it.

Address by Secretary of Agriculture Orville L. Freeman at the 10th Biennial Wilderness Conference of the Sierra Club, Friday, April 7, 1967, 8:00 p.m. PST, San Francisco Hilton Hotel, San Francisco, Calif.

Those of you who follow the national news know that the lot of a Secretary of Agriculture is not always a pleasant one. The difficulties inherent in the job have been compared to those of crossing the Continental Divide -- in mid-winter -- with cement snowshoes. And so one tends to savor and grasp every pleasurable decision open to him. Two of these stand out in my mind.

The first was the opportunity to inspect, study, and then add 11 areas to the national wilderness system during my tenure as Secretary. Five of the eleven were here in California, including the largest, John Muir, in the High Sierra.

The second decision came out of a nostalgic pilgrimage to the Boundary Water Canoe Area, which was established half-a-century ago by the U.S. Forest Service, and where I had roamed as a boy. Here I was able to restore some of the wilderness values that had been lost over the years, by restricting powerboat and snowmobile operation, and by prohibiting or phasing out timber harvesting in an additional quarter million acres. This brought the "no-cut" zone to 600,000 acres in the BWCA.

In these actions I followed a long tradition established by previous Secretaries and Chiefs of the Forest Service. The first Federal land specifically described and formally designated for wilderness protection was in the Gila National Forest in New Mexico. Today, about 1 acre out of every 12 in the National Forests is under wilderness protection. These are still the only acres so designated under the 1964 Wilderness Act.

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The Act was a landmark piece of legislation. This Administration believed in it and helped attain it. I know that the Sierra Club is rightfully proud of its role in helping to build a climate of public opinion that assured passage.

There have been other great conservation acts in the past, but usually they were remedial acts intended to repair an abused resource -- rather than to preserve it in the first place.

For instance, in the early 1900's, the Forest Service and the National Forest System were created only after wasteful logging practices had all but denuded a continent.

In the 1930's, USDA's Soil Conservation Service was created only after much of our irreplaceable top soil had washed down to the Gulf of Mexico; only after dust storms had deposited much of the Southwest in the East.

The Wilderness Act, by contrast, was an action -- not to repair -- but to preserve and protect from harm a priceless national asset. It was a rare example of foresight, rather than hindsight. It was a notable and somewhat unique chapter in our conservation history.

This morning Chief Cliff reported to you on Primitive Area review and administration under that Act. He outlined the paradoxes in the Wilderness Act itself and the difficulties that "excepted uses" present in practical administration. I would reinforce several of his points that deserve your special attention.

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The first is quantity -- and quality. It now appears that we can establish in the National Forest units of the Wilderness System an area at least as large -- and possibly larger -- than the combined acreage of existing Wilderness and Primitive Areas.

This matter of quantity -- acreage -- is important. More than 14 million acres are now under Wilderness or Primitive protection. Four times as many people are packing into these areas today than 10 years ago, and more will use them in the future. And so a great many acres are needed to disperse travel and prevent overuse.

Accordingly, in the classification process, it is tempting to look only at numbers, and to overlook quality. I think this is a mistake. Philosophically, I think we should settle for no less than the highest-quality wilderness in our national system. The legislation calls for it; our posterity demands it.

As a practical matter, substandard additions to the present system will make it extremely difficult for future administrators to resist the breaching of present high-quality areas with the works of man.

If development already exists in one unit of the Wilderness System, it is harder to keep development out of others. For instance, I have resisted, for years, a mass winter sports development in the San Geronio Wilderness. It would cut the heart out of the area. So far I have been successful. But if in the past I had recommended for inclusion in the Wilderness System an area containing substantial works of man, it would now be infinitely more difficult to oppose development in the San Geronio.

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Then there is the matter of maintaining quality in existing areas.

Both the Sierra Club and the Department of Agriculture strongly supported the Wilderness Act. Both of us opposed, during its period of gestation, certain of the non-wilderness "exceptions" that were written into the final Act. And both of us, I think it is fair to say, came to the conclusion that the final legislation, even with the problems of administration that Chief Cliff mentioned this morning, was better than no legislation at all.

This was my personal belief. I mentioned earlier that from 1961 through 1964 I added some 11 areas -- totaling two million acres -- to the Wilderness System, by executive order. But under the laws then extant, there would have been nothing to prevent some future Secretary, who felt differently than I, from removing wilderness without even a hearing. For this reason, and others, I felt that the compromises that had to be made were worth the cost.

In the very near future this Wilderness Act, with all its perfections and imperfections, will be at issue in one of the most spectacular areas of the United States.

Those of you who have tramped the slopes of the North Cascades, as I have -- passing through successive life zones in a single day, from tall Douglas fir to the twisted brush at timberline -- know that I use the word "spectacular" advisedly.

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The Cascades are an ocean of mountains, frozen in space and time ... wave after cresting wave of stone, dotted with the deep blue-green of alpine lakes ... laced with the glacial remnants of another age.

If you have seen the San Juans, or the East Face of the Tetons, you have an appreciation of the Cascades -- but only a partial appreciation. To call them "America's Alps" understates the case. They are uniquely American -- and if Americans destroy their character they will not see their like again.

My poor words cannot capture them. The nearest approximation in print I have seen is the Sierra Club's book, "The Wild Cascades," in which a combination of photos and text gives a feel for their timeless values.

But really to know these mountains, one must experience them with all the senses ... to hear the wind above timberline, a voice like all the rivers in the world, flowing over a thousand miles of granite and green ... smell the pine ... feel a pebble polished by eons of time.

If everyone could do this, even for a day, I am confident that most of the controversy over invasion of wilderness would rapidly disappear. But unfortunately it hasn't.

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Within this fastness is Miners Ridge and Image Lake. This ridge is also the site of a valuable copper deposit, placed there, perhaps, by a wise Creator to test whether man could forego material riches for the fullness of the spirit.

We may face this test in the very near future, when and if application is made to begin open pit mining operations within the Wilderness.

The reasons given for this mine are not so very different from the reasons given for other resource development. The copper deposit is valuable; companies are being encouraged to increase domestic copper production; and, as we all know, there's a war going on. The company owns, or has mineral rights on, some 3,000 acres of land. Many of these claims were patented years ago.

Perhaps some of the same reasons were given many years ago when a mine was opened on the rim of the Grand Canyon.

But, in balance, it can also be pointed out that:

1. Our present war effort will not suffer if Miners Ridge is left undeveloped. Neither will our civilian standard of living suffer.

2. This is not the only undeveloped copper deposit in the United States. Others exist, perhaps less valuable, perhaps more costly to develop. Some are in the Upper Lake States -- in areas of high unemployment -- where development could both decrease the jobless rate and leave wilderness values unimpaired.

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It is not a case, in short, of "either-or." It is rather a case of economics, of choosing alternatives; of balancing a priceless, yet intangible, national treasure against ledger sheets and profits.

The decision in this case lies almost totally with the Kennecott Copper Corporation, and not with the Secretary of Agriculture. They own, or have claims on, the land on which the deposit is located. The language of the Wilderness Act and the intent of Congress is clear. They have the right to develop it, if they insist.

The scenic values of this area are as well-known to the company as they are to you and me. The company can, if it so chooses, ignore these values; gouge out its road and begin operations. If this happens, I want them and you to know that I will take steps to insure that the highest standards of performance and restoration, under the law, are observed.

But I cannot really believe that such an application will ever reach my desk. I urge the management and directors of Kennecott Copper Corporation, who will make this decision, to consider and weigh most carefully the very real and transcendent values that will be destroyed if mining is begun.

I further urge that the Sierra Club take every possible opportunity to inform the officers and shareholders of the company, and the American public, of the issues at stake on Miners Ridge.

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These issues are not simple. But if they are presented fairly and completely, I am confident that the public interest will prevail.

The issue in the North Cascades presents, in microcosm, some of the larger conservation issues we face across the continent. Ours is a nation of exploding population and expanding standards of living. There is near-infinite demand on very finite natural resources.

This means pressure for consumptive use of resources such as the copper deposit at Miners Ridge -- and it also means "people" pressure on wilderness, which Chief Cliff discussed this morning.

It seems to me that one of the best things we can do to relieve such pressure on wilderness is to make sure that resources and recreation are plentifully available in non-wilderness areas. Let me illustrate what I mean, first in material resources, second in recreation.

If you're a family of four, as the Freemans are, then each year your family uses an amount of paper representing the annual growth of two acres of timber land.

This paper must be produced -- for text books, the daily newspaper, even for the Sierra Club Bulletin. But we don't have to sacrifice our wilderness to get it, nor do we have to saw down all the trees in the National Forests.

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Most forest land in private hands is now producing at only about 50 percent of capacity. This can be increased radically, given enough public support, research, and funds. Continued support of wise multiple use practices in the non-wilderness portions of our National Forests can continue to provide needed timber. Doing so will go a long way toward removing pressure for use of wilderness.

We can also relieve people pressure on wilderness. The demand for outdoor recreation is increasing at a rate about four times as great as population increase. Shorter working hours, higher incomes, a desire to escape increasing urbanization -- all these contribute to this trend. This is a demand that will be met, one way or another.

The Department is trying to help by providing more outdoor recreation both in the National Forests and on private lands.

In the National Forests last year, in addition to acquiring private holdings within wilderness areas with Golden Eagle funds, we also acquired 18,000 acres in the Sylvania tract in Michigan, another 14,000 acres in the George Washington and Jefferson National Forests in Virginia, 6,000 more acres in Oklahoma, among others.

The Department's Soil Conservation Service, Extension Service, Agricultural Stabilization and Conservation Service, and the Farmers Home Administration, as well as other agencies, are working closely with farmers who wish to develop recreation businesses on their own land. As of now, more than 30,000 farmers are devoting parts of their land to income-producing recreational purposes.

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Perhaps this kind of recreation isn't your cup of tea. But many people do enjoy camping in improved areas, or skiing with the help of a chair lift or T-bar, spending a day at a National Seashore area, or a week on a farm.

Leaving aside the merits of one particular kind of recreation over another, it seems to me that we wilderness supporters have a real stake in providing other kinds of recreation for those who wish it, if for no other reason than to take the population pressure off the wilderness and primitive areas.

The late Howard Zahniser, former Executive Secretary of the Wilderness Society, put it this way: "The best apparent hope for success in the preservation of ... wilderness, is actually in application of the multiple use principle. To preserve some areas free from timber cutting will require adequate timber production on other areas. Preserving natural areas undeveloped ... will require adequate provision of developed areas with the ... facilities needed by the large numbers seeking outdoor recreation with conveniences ..."

I am proud of the Forest Service's application of the multiple use principle. In our National Forests we offer everything from mass skiing to the solitude of wilderness, with every gradation between. Developed sites -- picnic areas, campgrounds, and winter sports sites occupy but a tiny fraction of the area of these forests, yet provide facilities for a very high proportion of the visitors. In all, the National Forests received 173 million visitor days of use

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last year, nearly half of the recreation visits on all federal lands, and more than three times the use received by lands managed by any other federal agency.

I commend for your study -- and I hope for your support -- a continuing, wise, multiple use policy as the best long-term hope for preserving the wilderness values we both cherish.

All of the things I have discussed here tonight are part of a larger conservation picture. The Department of Agriculture is interested in this larger picture; so is the Sierra Club.

The Department is responsible for administering conservation programs embracing some 81 percent of the nation's total land ... all the cropland, the grassland, pasture, and range ... 186 million acres of National Forests and Grasslands. We also administer cooperative programs on much of the private forest land.

These conservation activities account for about \$900 million of the Department's annual expenditures and engage about half our total personnel, some 50,000 persons.

Of necessity, USDA is concerned with both the here-and-now and the future. The trees that will mature one hundred years from now are being planted in the National Forests today. The soil that will feed 300 million Americans in the Year 2000 has to be saved today.

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USDA 1104-67

In recent months we have been studying, probing, examining that future in a series of exploratory messages entitled, "Agriculture/2000." I would like briefly to discuss with you three of the more important conservation areas that I reviewed in a presentation called, "Agriculture/2000: Resources in Action." They are: (1) the quantity of our conservation efforts; (2) a planned land use policy, and (3) preservation.

1. Quantity of effort: At the time President Kennedy took office, in 1961, he inherited a federal budget of roughly \$2.4 billion for conservation and natural resource measures. President Johnson's 1968 budget calls for \$3.9 billion. This is a 60 percent increase in seven years. Yet the nation must be prepared to devote much more to conservation than it is currently spending.

This may seem self-evident to those of us in the conservation movement. It is less evident in much of the political dialogue current on the national scene. It seems to me that we have to convince many more people than are presently convinced that a new National Park, or an additional Wilderness, or buying up another National Seashore Area is as important to them personally as a second car or a larger motorboat.

This is a difficult thing to do, but not impossible. Many of us are convinced already. We can't do it painlessly, since all of these things cost money. But I hope the Sierra Club, and like-minded organizations, can increase their efforts to present these issues to the public.

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USDA 1104-67

Quantity alone, however, isn't the complete answer. We also need --

2. A planned land use policy: USDA's Soil Conservation Service estimates that we have some 680 million acres of land in the contiguous 48 states suitable for cultivation. This land feeds us now, and it will have to feed 100 million more Americans 33 years from now. Planning to preserve this prime farm land is of the utmost importance. Obviously, we can't exist without the food it produces.

But what are we doing? Every day, we're losing thousands of prime acres to subdivisions, highways, airports. We're burying it under concrete or houses, and it's not likely to be jackhammered clear again.

More is involved than just farm land. We're also burying land needed for recreation, pushing the open space farther away from the urban residents who need it most.

And so we need a sound land use policy, one which identifies land suitable for multiple use and single use, a policy that establishes priorities and makes the best use of a shrinking natural resource.

Such a policy would mean building highways, to the extent possible, on unproductive land, rather than on rich topsoil. It would mean an opportunity for local communities to identify land needed for future recreation, and provide a way to finance the land now, before urban land costs double again, as they did in the last decade.

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USDA 1104-67

A policy like this requires information of the type now being gathered in USDA's Land Use Inventory, but on a continental scale and in much more detail.

Planned land use incorporates two elements. The first is use -- determining the best use that can be made of our land. The second is preservation -- preserving land suitable for wilderness, crops, open space or mass recreation. Which brings me to my final point --

3. Preservation: The National Forest Wilderness illustrates preservation in its classic sense of maintaining a resource in its primeval state.

But this isn't the only kind of preservation we need. In a somewhat different, and larger, sense, preservation means "preventive conservation."

In agriculture, it means the continued production of abundance without damaging man's ecology. For example, it consists of careful testing of herbicides and pesticides before use, careful education in their application, and continuous monitoring of their effects on the environment. All of these functions are being performed by Department scientists today.

It means continuous research to discover biological and other non-chemical methods to control plant and animal pests, basic research in plant and animal genetics to discover resistant strains and species, new methods to control the dangerous by-products of an industrial society.

In the long run, preventive conservation is much less expensive than restorative conservation. More important, some environments, once blighted by man, can never be repaired, no matter what we do. All our billions, all our technology, can never restore a single acre of wilderness, if we fail to preserve it.

In short, it means creating -- for we don't have it now -- an environment in which man "does not merely endure, but one in which he prevails." Some 70 percent of our population is now crowded into 1 percent of our total land area. In the city, in the country, almost everywhere he goes, the American is confronted with an environment dominated by his own technology.

This is new: No others before us have experienced it on the scale we experience today. The end result is not certain. For man, with all his ability to adapt, for all his domination of the "lesser" species, still is a child of the sea, the mountains, the very wilderness he is rapidly obliterating.

We are a nation bedazzled by technology, and addicted to crash solutions. But there are no instant ecologies; no instant wilderness. And so, in the final analysis, we must devote much more of our attention in the future to assessing each new technological development for its ultimate impact on man's environment.

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I hope it is never said of this generation, as Stephen Vincent Benét said of another:

"They thought, because they had power, they had wisdom also."

We now have the power, literally, to move mountains. The next few years will determine if we have the wisdom to refrain from doing so.

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received on 11/11/11

11/11/11

Dear Mr. [Name],

I am writing to you regarding the [Topic] that we discussed previously. I am sorry that I have not been able to provide you with the information you requested in a timely manner. I am currently working on this and will have it completed by [Date].

Sincerely,

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2
STATEMENT OF SECRETARY OF AGRICULTURE ORVILLE L. FREEMAN
BEFORE THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS
UNITED STATES SENATE, ON S. 119, THE WILD RIVERS ACT,
AND S. 1092, THE SCENIC RIVERS ACT
APRIL 14, 1967

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE:

I am pleased to speak to you again about scenic rivers. Two years ago I came before you in support of the proposed Wild Rivers Act. That was an outgrowth of a joint study by the Departments of the Interior and Agriculture of America's remaining unspoiled rivers and streams. Your Committee promptly responded to our proposal and backed Senate passage of an amended version of the proposed Act last year. One of the bills you are considering today -- S. 119 -- is identical to that version.

Since the close of the 89th Congress, the Departments of Agriculture and the Interior have developed a modified draft bill to establish a Nationwide System of Scenic Rivers. It has been introduced as S. 1092.

Let me say here that I am aware of the questions raised yesterday and the interest of the Committee in the differences between S. 1092 and S. 119. S. 119 is the product of careful Committee work. It is the result of your effort to present a bill that is acceptable to the many and varied interests that would be affected by scenic rivers legislation. S. 119 is a good bill.

In large measure the modifications we have suggested are intended only to clarify the basic provisions of S. 119. For example, there was no intent to change the effect of the water rights provisions.

We have, however, suggested what we feel are desirable features which you may wish to add to S. 119. For example, S. 1092 provides for the inclusion of State and local scenic rivers in the national system. Also, the bill's definition of "scenic rivers" would cover more of the rivers that warrant protection.

Other changes would improve our ability to manage scenic river areas. In particular, we are concerned about the acquisition provisions of the Senate-passed bill.

S. 119 would prohibit condemnation of fee interests when 50 percent of the acreage or stream bank within wild river areas is government-owned. In effect, this would rule out any condemnation of other than scenic easements on many river areas in the National Forests. For here, most of the acreage and stream-banks are Federally-owned.

Generally, we would not want to use the power of eminent domain. We would seek to negotiate sales with private landowners. We would use scenic easements whenever possible.

But there would be some instances where scenic easements would not serve the purpose. We will need some areas for concentrated public use or for access. In some river stretches such areas are limited, and often the most desirable sites are **privately**-owned. Here, if an owner refused to **sell**, condemnation would be the only alternative for providing for public use.

We recognize that S. 119 contains provisions for a National Wild Rivers Review Board. Because the bill does contain provisions for consultation with river basin commissions and the States we felt the review board was not absolutely necessary. However, we would have no objection to the establishment of this board.

The provisions of the bill have been described. I will comment briefly on how we will manage the Scenic River Areas which are a part of the National Forest System.

Much of the Nationwide Scenic Rivers System will be managed and protected by the Department of Agriculture's Forest Service. Over 500 miles of the

ivers proposed in the initial system are within the boundaries of the National Forests. These include the Salmon and the Clearwater in Idaho, the Rogue in Oregon, and the Eleven Point in Missouri.

Within the National Forests scenic waterways have long been administered in accord with the Scenic Rivers concept. The Scenic Rivers Act will give Congressional recognition to this type of management. More importantly, for National Forest lands, it will give statutory assurance that designated Scenic Rivers the Forest Service administers will remain free-flowing. Authority already exists to manage these river areas under sound land and water conservation principles. We are able to give full recognition to this type of management. By restricting the future construction of major river barriers, the Scenic Rivers Act will make our ability to fully protect these streams complete.

Scenic River Areas will provide river travelers and users a wide choice of activities and experiences. The Clearwater in Idaho is a good example. The river rises in rugged National Forest Wilderness, flows through a variety of forest and pastoral scenes, through western rangelands and ends near a small rural community. Some parts of the river can be reached only by foot, some by horseback, and others by boat or car.

Scenic Rivers are a part of rural America -- its economy and its environment. The Nationwide System will give rural Americans the opportunity to furnish facilities and services needed to enhance use and enjoyment of Scenic River Areas. This will mean new business and new jobs and a boost to the local economy.

I know you are interested in the question of Scenic River Area boundaries, and our acquisition plans within these boundaries. I'd like to describe how these will be determined on the areas managed by this Department.

The proposed Scenic Rivers Act does not contemplate reclassifying large areas of National Forest land. Subsection 4(b) of S. 1092 limits the area that could be included within Scenic River Area boundaries to a total of not more than 320 acres per mile. This would work out to an average width of one-quarter mile on each side of a Scenic River. However, we are sure that Scenic River Area widths will vary -- depending on the terrain, existing developments, natural vegetative screens, and needs for access and public use facilities.

For instance, where high, steep banks or dense vegetation adjoin the river, the designated river area would be narrow. It would probably not extend more than a short distance beyond the top of those banks or the dense vegetation because areas beyond would be out of view from the river. A wider Scenic River Area would be needed in flat or continuously rising terrain to protect the view from the river.

We have a unique situation where a Scenic River flows through a National Forest. Often the bulk of surrounding lands are already in public ownership, and are being managed in a way that enhances Scenic River purposes. Here, the actual chosen width of a Scenic River Area would have little, if any, effect on management practices.

S. 1092 limits fee acquisition to a total of not more than 100 acres per mile, with some exceptions. This works out to a strip of land averaging about 400 feet from either side of the river. Scenic easements may be acquired to cover the remaining lands with Scenic River Area boundaries. Acquisition in fee will generally be restricted to those cases where it is necessary to make the areas of greatest use demand accessible to the public, and to provide for public use facilities. In other cases, scenic easements can be used to fully protect Scenic River values.

Many land uses are compatible with Scenic River Area purposes.

I want to make this clear.

Livestock grazing, farming, forestry, and simple, rustic recreation developments are all part of a picturesque rural environment.

These kinds of land uses should continue. When viewed from the streams, they will foster an understanding of wise land use -- of how man can improve nature's productivity and use its bounty, without impairing its quality.

In conclusion, Mr. Chairman, I see Scenic Rivers as a vital part of the future, and a vital part of Countryside, U.S.A. Protection of Scenic Rivers means protection of our countryside. Not only does it make rural America a better place to live in, but a better place to visit and to come back to. A Nationwide System of Scenic Rivers will assure unspoiled, unobstructed waterways for all of us, always.

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April 19-20, 1967

Statement by Secretary of Agriculture Orville L. Freeman:

I have come to the Midwest to take part in a free and open "shirt-sleeve" discussion with agricultural leaders and farmers in Hutchinson, Kansas; Ames, Iowa, and Decatur, Indiana.

I have come here because I share farmers' concern over the recent slump in farm prices and agonize with them over the cost-price squeeze in which many find themselves.

But I did not come merely to express my sympathy. I want to talk straight to farm people, and I want them to talk straight to me. I have come to listen to them, and I hope they'll listen to me. I think we can learn from each other to our mutual benefit.

I intend to tell them, just as I've told many city audiences in recent months, that farm prices are too low, in some cases disgracefully low, and that consumers must realize that if farm prices are not strengthened the nation's family farm system will go down the drain. If that happens, consumers will find themselves doing business with monolithic corporate farming operations that conceivably could so control food supply as to demand and get any price they want.

I don't want that to happen. Farmers don't want it to happen. And I believe many consumers are willing to pay a little more now to avoid paying a lot more in the future. The Minnesota Poll reported this month that 72 percent of Minnesota people think the Nation's farmers are not getting a fair return for their products, and a majority of the Minnesota public would be willing to pay higher food prices if it meant higher income for farmers.

I am optimistic for the future of American agriculture. My primary purpose in coming here today is to get advice and, by thoughtful, down-to-earth discussion of the real situation, to stimulate that confidence in the minds of others.

I have no intention of telling farmers how well off they are. Because they are not generally well off. They have made some progress in recent years, but they have far to go to reach the income level that is rightfully theirs.

Realized net per-farm income jumped last year to a level 70 percent higher than in 1960, but American farmers still earn only two-thirds of the income that non-farmers receive.

Income gains in 1966 aroused expectations that the upward thrust would continue without interruption. But, so far this year, we have slipped backward a little.

Temporary but familiar forces which for the most part were beyond our control -- bumper grain crops in Canada, Australia, and the Soviet Union, and increased production of fed cattle, hogs, poultry and milk at home -- have come together all at once to exert a downward pressure on farm prices. Once again, supply seems to be outrunning demand for many perishable products for which there is no supply management program.

We are all worried about the 7 percent farm price sag since last fall. And the cost-price squeeze which improved so markedly last year is severely punishing the farmer again.

But I believe this situation is only temporary. I'm confident that farm prices will strengthen later this year, and that over the four-year life of the Food and Agriculture Act of 1965 we'll be able to level out the hills and valleys of the farm economy and achieve a generally upward trend.

(more)

USDA 1223-67

The progress we have made in the last six years should encourage us to keep our balance and our faith that we can reach parity. In that time, we have lost some battles -- remember the wheat referendum of 1963? -- but we won five big ones, the five major farm bills enacted into law since 1960. We fought hard for those laws, and we succeeded in getting them passed by a Congress so urban-oriented that the very phrase, "farm bloc," is all but forgotten.

Under those laws, we have been able to battle our way out from under smothering surpluses ... bring the market more nearly into supply balance than it has been in half a century ... give the market more freedom from Government influence that it has had for 30 years ... give the farmer more flexibility on the farm ... and set new farm export records.

In the first year (1966) of the four-year Food and Agriculture Act of 1965, we saw gross farm income and net income per farm attain record levels and net farm income reach the second highest mark in history. We were so gratified at those remarkable but long-postponed advances that the disappointment of the price turndown this year was felt all the more keenly.

I plan to ask American farmers if the turndown we have experienced to date in 1967 is enough to make them want to give up on commodity farm programs altogether.

What are the alternatives? I plan to ask American farmers if they are willing to swap our voluntary programs for no program at all. This is what one farm organization advocates in legislation now before the Congress. I intend to point out that a study concurred in by experts of nine Land-Grant universities estimates that the abolition of present programs would reduce farm income by one-third.

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USDA 1223-67

There is one other alternative. That is to return to a high price support program that establishes rigid, mandatory production controls on a pound, bale, and bushel basis. This has a certain appeal to some farmers because they can be sure that the price will remain at a level near (but historically below) the relatively high Government loan. But in 1962 and again in 1963, a majority of our grain farmers indicated they did not want to go this route. And in my judgment the Congress still would reject it.

Furthermore, I don't believe the certainty of mandatory programs outweighs the long-term advantages of our market-oriented voluntary programs.

The loan level in our production payment programs is geared to make today's farmer competitive in world markets without export subsidies -- while additional direct payments are made to insure more adequate farm income and to keep supply and demand in reasonable balance. The market price on most commodities is now well above the loan rate.

I think most farmers prefer it that way.

For example, when some farmers, and some politicians, talk disdainfully of "\$1.25 wheat," they overlook, or choose to forget, the direct payments received by producers ... and that market price of wheat in 1966-67 will average about \$1.65 a bushel. For the 1966 crop, these payments are lifting the average farm price of wheat to \$2.14 a bushel, blend price. At the same time the wheat farmer is enjoying virtually unlimited planting. Some of our farmers point north of the border to what they think are better conditions for wheat producers in Canada. Yet the Canadian's average farm price for 1966-crop wheat is estimated at \$1.60.

For 1967-68 we expect to see U.S. wheat producers reap a record income from the 1967 crop as a result of increased production, fair market prices, and marketing certificates.

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USDA 1223-67

President Johnson said, earlier this month: "We are trying to use the Act of 1965 -- and the four years of stability it gives us -- to increase farm income substantially. There will be price fluctuations. There will be price frustrations. But these, we believe, during this four-year period will straighten out."

USDA will continue carefully to use its resources and authority to improve farm prices and income. Operating as we are, in a market reasonably balanced for basic commodities, we are geared to use Section 32 purchases, P.L. 480 purchases, and other marketing aids within the confines of existing law and funds to strengthen prices. Last year, for example, the USDA bought over \$1.5 billion in wheat, flour, beef, pork, milk, feed grains, and fruit and vegetables to feed needy people in the U.S. and around the world. We expect to use this great purchasing power more skillfully in the future to strengthen farm prices.

I intend also to ask farmers what they are ready to do to help themselves.

I am convinced that their national and state organizations -- general farm and commodity organizations alike -- can do more than they are doing to advise members on marketing. They can do more to build interest in cooperatives and to help their coops attain greater bargaining power. Farmers need to negotiate in a single voice for the products of their fields and pastures. I am confident that the general public is willing to accept it.

This is one approach. Probably there are others. Certainly unity on the farm front is paramount in all of them. The dairy industry, for example, desperately needs a united front in order to improve the producer's income either through cooperative action or some form of supply management authorized by the Congress. I regret to point out that for six years, the industry has failed to agree on a program that it, and we, could present to the Congress. As a result every effort to pass dairy legislation has failed.

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USDA 1223-67

Finally, I intend to seek the counsel of farmers and farm leaders to determine if there are other actions Government can take to help them in their efforts.

I am confident that we now have the major tools to build a bigger, better, healthier American agriculture ... if we have the perseverance to give those tools a fair test.

But perhaps we have overlooked some helpful action that we could take under existing law. Perhaps some means have not been used as effectively as possible. Perhaps, in other areas, whole new programs are needed to supplement those already on the books.

I want to assure all farmers that every comment, every bit of advice, every word of criticism will receive my closest attention. This is an action, "can-do" administration. We are prepared to fight and act for justice for the farmer in 1967 as we have done since Jan. 20, 1961.

USDA 1223-67

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MAY 16 1967

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U.S. DEPARTMENT OF AGRICULTURE

Office of the Secretary

For P.M. Release April 19

We are here -- you and I -- for the same basic reason. Farm prices have dropped 7 percent from their peak of last August. We are here to search for possible remedies.

Last year was one of the best years in the history of American agriculture. Net farm income climbed more than \$2 billion. Net income per farm reached an all-time high. We gained in income in the nonfarm segment of the economy, and we got some relief from the cost-price squeeze because prices rose sharply until August -- rose faster than costs.

But for the past 7 months we have turned in the other direction. I am deeply concerned. I can assure you the President is concerned. And it goes without saying that you are concerned.

So -- I have asked you to come here and advise and counsel with me as to what we can do about it. I know you have ideas and advice and I want you to speak out frankly and clearly. There are no easy answers to our problems, but by working together and by sharing information and ideas I think we can get results.

I'm not going to make a speech. However, let me give you some background about what is going on as I see it. Then I would like to hear from you.

What has happened to change the optimistic picture of progress of a few months ago to a condition of deep concern and distress today? The answer is the same old story: too much production. First, Canada, Russia, and Australia had bumper crops of grain last year, and this cut into our commercial exports.

Second, we have had a big increase in the supply of hogs, cattle, and poultry. We've had an upturn in the supply of milk -- and a downturn in price. Yet the cost of almost everything farmers buy continues to rise. The farmer is again caught in the middle -- again being punished by the same old cost-price squeeze.

Remarks of Secretary of Agriculture Orville L. Freeman at Regional Farm Policy Conferences on April 19, 1967, in Hutchinson, Kansas, and Ames, Iowa, and on April 20, 1967, in Decatur, Indiana.

What can we do about it? That's what we came here to discuss. I want your ideas and advice; I need them. But first, let's look quickly at the great changes that have taken place over the past 6 years. If we have clearly in mind where we were 6 years ago and what we have done since, it should help us to decide what we can do now.

In January 1961, when President John F. Kennedy named me Secretary of Agriculture, American agriculture was in trouble. It was almost as badly off as in the depression of the 1930's.

There was a mountainous surplus of 1.4 billion bushels of wheat. The feed grain surplus was just as bad -- 85 million tons. Farm income had dropped steadily for 8 years to a low of less than 12 billion dollars.

Farm net income was only \$11.7 billion -- 9 percent below a decade earlier.

Farm prices had dropped 17 percent in the previous 3 years. Farmers faced \$1 corn and \$2 soybeans. Cattle was selling for \$20 -- hogs for \$15 -- and manufacturing milk for \$3.25.

And what was even worse -- so far as hope for the future was concerned -- was agriculture's public image. It was distorted -- and untrue. The American public simply did not understand the conflict between the farmer's image and reality. He was the greatest producer in the entire economy, but the American public thought he was hopelessly inefficient -- and he was being penalized for it. He was subsidizing American consumers with cheap food and fiber -- and consumers thought they were subsidizing the farmer. He was, as always, the foundation of the American economy -- but the public thought the economy was holding him up. He made abundance possible -- but people blamed him for producing surpluses. He was an amazing success in terms of production -- but the public considered him a failure. The derisive label, "surplus-and-subsidy," was plastered on the back of every farmer in America.

We began to tackle all these problems simultaneously in 1961. The first major bill passed by the Congress that year set up the Emergency Feed Grain Program. This program began to cut into excess feed grain production -- while maintaining farm income. We rejuvenated the county and community farmer committee system -- and made it a workable and effective mechanism for joint action. Later that year the feed grain program was extended and a similar program applied to 1962 crop wheat. Price supports on milk, soybeans, and other commodities were increased. The amount of food made available to children and the needy was doubled. Five new items were added to the list of donated commodities.

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And we began a campaign -- it has not stopped to this day -- to give the American public a true understanding of the place and the contributions of the U.S. farmer in the American economy.

We continued these actions in 1962. We introduced a comprehensive agricultural program aimed at four related goals for the 1960's -- Abundance, Balance, Conservation, and Development. President Kennedy said of them: "These are common sense goals, as common sense as A, B, C, D." We urged a mandatory program of allotments and strict controls for wheat and feed grains and a new program to give balance to dairy production. Our proposals for feed grains and dairy were defeated. But Congress passed the wheat program with the proviso that it must earn two-thirds approval in a referendum. Congress also authorized a major program to expand the over-all rural economy.

We thought we were on our way. Net farm income in 1961 and 1962 was almost a billion dollars higher than in 1960. Gross farm income in 1962 was \$3 billion more than in 1960. The surpluses of wheat and feed grains were being cut down.

We entered with high hopes. If wheat farmers approved the program for 1964 wheat in the coming referendum, we would have most of the basic tools we needed. But we got licked in the wheat referendum -- and licked bad. This was my low point as Secretary of Agriculture. Maybe farmers didn't want commodity programs at all, I thought. If that were so, there was no use for the Secretary to try to sell them on these programs even though he felt they were necessary.

So I did then what I am doing now -- I went on tour.

We held Report and Review Sessions all over the United States. After talking with literally thousands of farmers, I concluded that not only were commodity programs necessary, but farmers understood this. The big problem was that there was nothing even approaching unanimity of opinion as to what kind of program there should be.

I had always known and wrestled with the fact that there were strong differences between the farm organizations. But that they went so deep -- and that the differences were so great -- I did not discover until then.

Here was one of our great problems. Here is one of our great problems. Agriculture speaks in a thousand tongues, like the ancients who tried to build the tower of Babel.

But I returned to Washington and went to work again to try to get a program.

(more)

USDA 1226-67

We met with the wheat people. They wanted a voluntary program like that of the feed grain producers. We set to work to see what could be done.

Meantime, cotton was in serious trouble. Consumption was falling. Supplies were rising.

We still had no dairy program. I was required by law to drop dairy supports from 83 percent to 75 percent, from \$3.40 to \$3.15. This hurt, but I had no choice.

One bright spot in the picture was the passage of a feed grain program for 3 years. But 1963 was not a good year from my viewpoint.

Then on November 22, 1963, came the frightful shock of President Kennedy's assassination.

Entirely apart from the horror of that occurrence, it could have meant the end of the quest for sound farm programs.

The new President had much on his mind. Nonetheless, he immediately got behind agriculture as he always had as a Congressman and a Senator. Farmers ought to remember that fact.

In 1964, with the strong backing of President Johnson, we passed a wheat certificate bill and a cotton bill. We put together a working political alliance, actively joining wheat and cotton producers in common cause. The new legislation was temporary, but it kept us going in the right direction.

Then came 1965 -- the critical year. All the commodity programs were expiring that year. We had to get on solid ground for the future. And we did.

Congress began debate on the Food and Agriculture Act of 1965 -- a 4-year bill, the first of its kind in our history. It provided a wheat certificate plan with 100 percent of parity for domestic wheat, plus a cotton program and a feed grain program. But still it gave us no real dairy program.

It was a tough fight. One farm organization opposed us. The millers and bakers fought the wheat program. They called it a "bread tax." They ran around Capitol Hill, distributing miniature loaves of bread with large bread tax labels on them. Our slogan was, "We will not bow down to the bread trust." We followed them and pinned the truth on them. I personally visited nearly every Congressional office.

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USDA 1226-67

Together we made it. At last agriculture had a 4-year farm program. It was not exactly what the President had recommended, but it was close to it. It was not the mandatory bushel-bale-pound approach I favored when I went to Washington. No, it was something worked out in the crucible of political fire. It was a kind of middle ground between a mandatory approach and a do-nothing approach. But it recognized that U.S. farmers possess a gigantic potential to over-produce, and that if we turned it loose the family farm would be threatened and perhaps would perish.

*It was, and is, a farm program for a new era in agriculture.

*It enables farmers to sell competitively; it sets loan rates at moderate levels so we won't price ourselves out of world markets.

*It uses production payments to maintain farm income.

*It ties production into acreage diversion when necessary for supply management.

*It has a built-in crop insurance feature.

*It encompasses government buying programs that will step up sharply when a bumper crop produces an oversupply.

*It calls for a minimum of government participation. Government becomes a kind of referee, not a player on the field.

*Farmers have more discretion in making their own farm plans than at any time since the early 1930's.

The year 1966 was a good one for farmers. We had new tools. It seemed that we were making the New Era Farm Programs work as we had planned and hoped.

By late summer the wheat and feed grain surpluses were gone.

Farm gross income in 1966 was the highest in history -- \$49.5 billion -- 31 percent higher than in 1960.

Farm net income was \$16.3 billion -- 40 percent above 1960.

Most significant of all, net income per farm reached a new peak of \$5,024 -- 70 percent more than in 1960.

Farmers were gaining on the rest of the economy. Their per capita income was still only two-thirds as much as that of nonfarm people. But, remember, in 1960 it was only 55 percent as much.

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We were gaining also on the cost-price squeeze.

But now today -- suddenly it seems -- the bright outlook of last year is beclouded. Farm prices are down. Farm costs are up. Dairy producers are becoming desperate. Other producers are wondering what is in store for their prices -- their incomes -- their hopes for the future.

So I am here to get your advice -- to get your counsel.

What can we do? What are the options?

We know that our options are not unlimited. We operate under certain definite laws so far as government action is concerned. We must work within these laws -- or we must work to change the laws.

There are three basic options -- three alternatives -- before us. One is to swap the present voluntary programs for no program at all. Pending in Congress right now is a bill sponsored by the farm organization I mentioned previously. I point out to you that studies by our Department economists indicate that the "no-program" approach will cut farm income one-third below present levels. I point out further that this conclusion is concurred in by experts from nine Land-Grant Universities.

The second alternative is to return to a high price support program that establishes rigid, mandatory production controls on a pound, bushel, and bale basis. This has a certain appeal to some farmers because they can be sure that the price will remain at a level near, but historically below, the relatively high government loan. In 1962, and again in 1963, a majority of our grain farmers indicated they did not want to go this route. And in my judgment the Congress still would reject it.

The third alternative is to make the present programs -- what I have called the New Era Programs -- work. Under those programs we have been able to battle our way out from under smothering surpluses to bring the market more nearly into supply balance than it has been in half a century - to give the market more freedom from government influence than it has had for 30 years -- to set new farm export records.

Now I want to ask you if the price turndown we have experienced to date in 1967 is enough to make you want to give up on a farm program that worked so well in its first year of trial.

I believe farm prices will strengthen later this year. I hope farm income may come close to last year's records.

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We will effectively use purchase programs and other marketing aids to strengthen farm prices and income. Last year we bought more than \$1.5 billion worth of wheat, flour, beef, pork, milk, feed grains, and fruits and vegetables to feed needy people at home and abroad. We expect to use the Federal Government's great buying power even more effectively this year.

But I believe that you -- you, the farmers -- can also do more. Your national and State organizations -- general farm and commodity organizations alike -- can do more to help you on marketing. They can do more to help the co-ops gain greater bargaining power. You need this "green power" to negotiate with a single voice for the products of your fields and pastures. But you must demand it and speak with a common voice to do so.

It is my considered judgment that we now have the major tools to build a bigger, better, healthier American agriculture -- if we give those tools a fair test. But perhaps we have overlooked some helpful action that we could take under existing law. Perhaps other means have not been used as effectively as possible. Perhaps, in some areas, whole new programs are needed to supplement those already on the books. Maybe new legislation is needed.

I assure you that every comment, every bit of advice, every word of criticism you care to offer will receive my closest attention. This is an action, "can-do" Administration. We are prepared to fight and act for justice to the farmer in 1967 as we have done since January 20, 1961.

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AGRICULTURAL SCIENCE IN THE SCIENCE COMMUNITY

Mr. Chairman, distinguished scientists and scholars. I count it an honor to come before you tonight.

I speak to you, not as a scientist myself, but as the chairman of the board, so to speak, of one of the largest scientific organizations in the world -- the U. S. Department of Agriculture.

Through our research in agriculture and forestry, through our findings in basic research and their technological applications, we have helped to create one of the best fed, best housed, best clothed and healthiest societies in the history of the world.

This could not have been accomplished without a scientific organization unique in many respects. It is the kind of organization that may not make a whole lot of sense on paper. But it is the kind of organization that could only develop in a democracy like ours ... in a country as big and diverse as ours. And it works.

THE IMPORTANCE OF AGRICULTURAL RESEARCH

The Federal Government's contributions to agricultural research actually pre-date establishment of the Department of Agriculture. Back in 1839, when agriculture was but a division of the U.S. Patent Office, the far-seeing director of the office, Henry L. Ellsworth, obtained an appropriation of a few thousand dollars to distribute new seeds and plants. This laid the ground work for the vast research apparatus that began to develop after

Address by Secretary of Agriculture Orville L. Freeman before the Federation of American Societies for Experimental Biology, Grand Ballroom, Palmer House, Chicago, Illinois, Thursday, April 20, 1967, 8 p.m. EST

the Department was officially established in 1862.

I find it significant that among the first 30 employees of the Department of Agriculture were a chemist, an entomologist, and a horticulturist.

Until recent years, agricultural research has been the largest annual research expenditure by the Federal Government. Although proportionately smaller now, in relation to defense research, for example, agricultural research continues to be extremely significant and worthwhile.

Agricultural research is a public partnership of State and Federal institutions that began more than 100 years ago when the Department of Agriculture and the Land-Grant college system were created. It introduced and perfected a revolutionary concept of Federal support--the institutional grant system, under which the National Government supplies funds and general coordination, without detailed Federal control.

The States and the Department share research responsibilities. Each State does the work of direct interest to the people within its borders. The Department, in turn, is responsible for research of regional or national significance -- often in cooperation with one or more States. In cooperative research, the States and the USDA draw on the counsel of their scientists in jointly deciding which part each will undertake.

This pattern of research and this Federation evolved from a common generic source -- a group of highly creative and dedicated biological scientists.

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There were such men as Yale's Norton, who promoted State agricultural colleges; Wesleyan's Atwater, who defined the experiment station concept; Georgetown's Taylor, who brought systematic and microscopic study of plant diseases to the Department of Agriculture's intramural research program; and California's Hilgard, who pressed for Federal support of agricultural science and the experiment stations.

RESEARCH AND PRODUCTIVITY

The pattern that men such as these helped to develop has served to make American agriculture the greatest production marvel in the history of mankind.

The outstanding success of our system depends in large measure on the attitude of the scientists themselves. Agricultural scientists have always been eager to carry the results of their research into the field and see it put into practice.

Long ago we learned that the most advanced scientific laboratory work is of little use if the farmer a few miles away still works his fields with a handplow and an ox.

We have proved that it is possible to develop a pattern of agricultural research that works all the way from the laboratory to the consumer.

We know it works. The record proves it. When the Department of Agriculture was first established, each farm worker provided food and fiber for only 5 persons. Today he meets the needs of nearly 40.

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In the past 20 years, crop production per acre and livestock production per breeding unit have increased 40 percent ... and this was accomplished with a labor force that declined almost 50 percent in the same period.

In 1946, we produced 2.9 billion bushels of corn on 78 million acres. In 1966, we produced more than 4.1 billion bushels on 30 percent fewer acres. In 1946, the average milk yield per cow was 4,900 pounds a year. Today it is 8,100 pounds. Our markets for dairy products are now supplied by 10 million fewer cows than were needed two decades ago.

Today our farmers market almost 10 times as much broiler meat and three times as much turkey as they did in 1946, and in the same span of years they increased the output of red meat 35 percent.

A century ago, 7 million farm workers served a total population of 31 million Americans. By 1910, farms employed 13 million in a nation of 92 million. Today our nearly 200 million Americans are provided with an abundance of food and fiber by only 6 percent of their fellow citizens. Contrast this with Russia, where 50 percent of the people are involved in producing a much less satisfactory diet.

If we were as far ahead of the Russians in the space race as we are in agriculture, we'd be running a shuttle service to the moon today.

This amazing advance in agricultural productivity can be laid directly to agricultural research in hybrid seed, fertilizer, new plant strains, growth regulators, irrigation, drainage and reclamation, pest control,

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and new tools ... and to the eager receptiveness of the American farmer who put new knowledge and techniques to work.

Our farmers now provide their fellow Americans with the best diet in the world ... and at the same time contribute significantly to this nation's balance of payments and to this nation's humanitarian responsibilities at home and abroad.

Farm exports have almost doubled in the last 6 years and are now a key factor in our export earnings. New records are being set each year, and if the volume continues to increase at an annual rate of 4 to 5 percent, farm exports could reach \$10 billion or more by the year 1980.

On the humanitarian front, our American farmers each year are helping feed 60 million Indians and 100 million other hungry people abroad.

OTHER RESEARCH BENEFITS

But agricultural research has not been, nor will it be, limited to improving food production. Always in the mainstream of scientific activity, agricultural research has been of great importance in helping establish a balanced and diverse environment, improving human health, and examining the life process itself.

Let me tick off just a few of the many other significant contributions of both basic and applied agricultural research to human welfare:

* USDA scientists first demonstrated that insects are vectors of disease. In tracing the cause of Texas fever to the fever tick in 1893,

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they opened the way for control of such human diseases as malaria, yellow fever, and sleeping sickness.

* Streptomycin, the first of the antibiotics, was discovered at the New Jersey Agricultural Experiment Station.

* The use of killed cultures for immunization against typhoid fever, whooping cough, and other diseases was made possible by USDA research on hog cholera.

* The first study of the nutritive value of foods ... and the first use of a calorimeter to measure the expenditure of energy by human subjects ... were by a Connecticut scientist who later became the first director of the Federal Office of Experiment Stations.

* Mass production of penicillin became possible with a procedure developed by USDA's Northern utilization laboratory.

* Vitamin D and niacin were discovered at the Wisconsin Agricultural Experiment Station ... which also first pointed out the importance of iodine in metabolism and explained the chemistry of carotene and vitamin A.

* And a team of USDA and Cornell University scientists was the first to purify and structurally identify two of the ribonucleic acids that transfer amino acids to the site in the cell where proteins are synthesized. This breakthrough offers hope that further research will lead to biochemical methods of controlling the inherited characteristics of living things.

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NEW CHALLENGES

Agricultural research's job is far from done. It never will be. New insight from research continues to open exciting and challenging new opportunities for extending the benefits of science.

A current example is the promising combination of space and computer technologies that should provide information ... never before available ... for improving the productivity of resources all over the world.

We expect that remote-sensing equipment in spacecraft will be linked with computers to identify and measure land use ... detect plant diseases, insect infestations, and drought ... assess crop stands and vigor to predict future yields ... and determine whether soils are suitable for growing needed crops.

New scientific approaches are also being employed to alleviate environmental pollution -- one of the most serious threats to health, human welfare, and our ability to produce needed food.

Just this year we opened a new laboratory at our Agricultural Research Center in Beltsville, Maryland, to study the impact of air pollution on plants. We already have learned that a number of pollutants in our atmosphere can retard plant growth seriously -- so seriously that it may soon be necessary to filter the air moving into greenhouses on the Eastern seaboard.

We also are hard at work to devise better methods for disposing of farm and processing wastes, including citrus wastes and poultry and dairy wastes.

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In order to avoid the potential hazards of pesticide residues, we are developing revolutionary new methods of controlling pests.

We have already eliminated one important livestock pest, the screwworm fly, by mass release of insects sterilized by exposure to radioactivity and consequently incapable of producing offspring. The sterility concept also has potential application to many other insects -- insects which are destroying much of the earth's food and fiber.

THE WAR ON HUNGER

The world can ill afford such waste. The most serious problem facing our planet today is world hunger.

An estimated 300 million to 500 million people in Asia, Africa, Latin America and the Mideast are now locked in a desperate, almost hour to hour struggle against famine. Another billion and a half are malnourished, disease-prone, and wearily resigned to endless deprivation. Unless something is done now, their future will be even bleaker.

We face this massive problem knowing that it can't be solved by new land or our food aid. By this time in man's history of tillage, we are short of economically usable land. And it is obvious that the developed nations, including our own, cannot feed the hungry world forever.

We now know that only the hungry nations can save themselves. And they must do it by developing their own agricultural production ... with the developed nations' food, capital and technical assistance sustaining them in the interim.

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Leading the way in teaching the hungry to feed themselves is agricultural research. In the next few decades it may make the difference between adequate nutrition and starvation for hundreds of millions of people.

One of our most significant contributions to alleviation of malnutrition is the development of new, high-protein foods and protein-enriched foods for developing countries. They include --

A process for making protein-rich soybean flour in villages, using hand-operated, inexpensive equipment... Ways to produce high-protein flour for bread and soup mixes from flourmill by-products now going into livestock feeds... A peanut-flour wafer made without milk or eggs and especially nutritious for young school children... A flaxseed and soybean flour beverage that can be highly useful in giving children needed minerals and vitamins.

Still other research efforts are underway. The Department is testing artificial supplementation of wheat with lysine as a simple and cheap way of improving world protein sources. We are also seeking to breed more protein of high nutritional value into our wheat varieties. And we have just contracted with a private firm to find rapid and accurate ways of analyzing amino acids in soybeans -- an essential step toward breeding still more protein into soybeans.

Department scientists are also doing productive work in Asia and Africa, in cooperation with scientists in those areas. In one project

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centered in Nigeria, Kenya, and Uganda, the scientific team has succeeded in developing a maize hybrid that yields from 50 to 75 percent more than the local varieties. We expect that nearly a half-million acres will be planted this year.

A cooperative project was recently initiated in Asia on the pulse crops that are staple foods in the Near and Middle East and South Asia. At research centers in Iran and India, thousands of strains from all parts of the world are being tested for productivity, adaptation, disease and insect resistance, and nutritional quality. Some of these strains yield 40 percent more than local varieties.

Other American scientists and technicians are working in 39 countries to help them develop the research, education, credit, cooperative, and other institutions they need for modern farming. And thousands of future agricultural leaders from other nations are being trained here to take on the job of building their own agriculture.

Since 1961 USDA has been drawing upon the competence of scientists in other countries for research of mutual benefit to our nation and theirs.

Under provisions of Title I of Public Law 480, the Department has numerous research projects underway in foreign countries -- 578 projects in 29 countries, as of December 1966. This research is done by eminent foreign scientists and is financed with foreign currencies that accrue from the sale of U.S. commodities. Because of the largely basic nature of the work, it has widespread application to world problems of increasing food production.

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WE LOOK AHEAD

Success of our efforts to assist developing countries ... and to produce food here at home for export and donation ... is contingent upon our finding ways to apply research to the specific needs and environments of the developing countries.

Many of these nations differ sharply from the United States in climate, in soil, in rainfall, and it is not often possible to export U.S. varieties successfully. New varieties that can thrive in the environments of the developing countries have to be developed.

Some notable progress is being made. A strain of stiff, coarse-strawed wheat that came to the United States from Japan was bred into a new variety in Mexico. It already has made that country self-sufficient in wheat production, and it holds great promise for countries with similar climates, like India and Pakistan.

Even more dramatic has been the development at the International Rice Institute in the Philippines of a variety of rice -- known as IR-8 -- which will produce five times the yield of other varieties, under commercial farming conditions. This amazing variety, the result of crossing strains from Formosa and Indonesia, is producing exciting results in test plantings in Latin America, Formosa, and India.

I realize that in the eyes of some, applied research lacks the glamour and the drama of basic research. But there is no minimizing the crucial importance of applied research in the War on Hunger. The need for

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scientists who can carry on adaptive crop research, for instance, cries out in its urgency. In human terms, in terms of peace and security, applied research is needed more today than ever before.

I hope that everyone in the scientific community who possesses skills and knowledge that can be mobilized in this War on Hunger will focus all his intellectual powers on this serious and pressing need.

At the same time, we all realize that our future efforts are contingent upon a steady flow of new basic knowledge.

To insure that flow, the Department of Agriculture and the Land-Grant Colleges and universities are jointly making a long-range plan to guide the direction and evolution of agricultural science during the next 10 years. A report of this study was released last October as "A National Plan of Research for Agriculture."

The object of the study was to ask and answer two questions: What agricultural knowledge will the Nation need during the next 10 years? And where should research emphasis be placed to provide that knowledge?

This study group first set 10 goals for agricultural research, and then made an inventory of all agricultural research now being conducted in the country.

Now Federal and State scientists are taking a closer look at each of the 91 research problem areas identified. We are continuing to seek the

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best, least expensive way to attain our goals in the shortest time possible. In this effort, we need your judgment to make the most meaningful choices.

Our research needs do not stop at national boundaries. We fully support the impressive efforts toward more international coordination of research through the International Biological Program.

But we should be making just as much progress in other phases of international cooperation. The awesomely crucial nature of the War on Hunger demands that we bring more and more of our research experience to bear upon the food and fiber problems of the developing nations.

We must give them as much help as they can adapt to their use.

We must send them -- not just food -- but knowledge, technology ... and the will to move forward in a changing world.

We must export the scientific pattern of research -- and its integral education system -- that have made agriculture in America the marvel that it is.

Today's world -- much of which is hungry and despairing -- needs all that science can give ... and more. For sometimes even science is not enough.

The story is told of the student coming upon Louis Pasteur bent over his microscope.

"Pardon me," said the student. "I thought you were praying."

Replied Pasteur ... "I was."

Thank you and good night.

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U.S. DEPARTMENT OF AGRICULTURE
Office of the Secretary

I'm here today -- first of all -- because I enjoy being with old friends. Many of you have been allies in a score of hard-fought battles for the farmer over the past dozen years.

And I'm here also because I'm a little superstitious. I've attended every one of your spring meetings since 1961. This is the seventh -- a lucky number -- and if anyone needs a little luck its the Secretary of Agriculture.

As you know, I have just returned from a series of regional farm policy conferences ... in the heart of the wheat country at Hutchinson, Kansas; at Iowa State at Ames ... and last Thursday at Decatur, Indiana.

Today I'd like to tell you what I learned at those three meetings, which totaled some 15 hours of give-and-take in all. My report to you falls into three general areas:

First, the causes of farmer unrest ...

Second, my reading of what farmers want to do about it ...

And third, a few of my own ideas of what the cooperative movement and the Federal Government can do to help farm income.

Remarks by Secretary of Agriculture Orville L. Freeman before the National Federation of Grain Cooperatives, Mayflower Hotel, Washington, D. C., Tuesday, April 25, 1967, 12:15 p.m. EST.

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When I have concluded, if your time permits, I would like your comments, advice and counsel.

Farmer Unrest

First, let's talk about the causes of unrest.

1. Rapid change: No one likes being trapped in a revolving door -- and the pace of change on the farm today is so rapid, so bewildering, that this is an apt analogy. Obvious, of course, is technological change and attendant increases in size and investment on the family farm. But also -- just in the past year -- we've seen the disappearance of surpluses in food ... and we've had our first full year of experience with New Era farm programs -- which are different from the programs we've lived with, in one form or another, ever since the 1930's. Last year we saw these programs work well as farm income climbed to the highest overall gross and net per farm in history, and the second highest total net nationally.

Then just in the past seven months, beginning in August, we've had to endure a 7 percent decline in farm prices, coupled with spiraling production costs from the administered price segment of the economy.

And so we've seen the gains we made last year -- gains over the cost-price squeeze and a climb toward parity of income with the nonfarm segment -- threatened once again.

Some of the assurances that we grew used to in past farm programs are now gone. The old commodity programs, inadequate as they

were, had this attribute: everyone knew that the market price would be at (in practice usually below) the loan level. The market, in the old era, operated within rather narrow limits. Under the New Era programs, loan levels are geared to world competition -- largely without export subsidy -- while additional direct payments are made to insure more adequate farm income. Market prices for most commodities are generally well above the loan rate.

And the market is hopping around like a Mexican jumping bean. Take wheat: In the last six months, it's ranged from a high of \$1.90 at the end of November to a low of \$1.68 at the end of January. In March it hit \$1.91 ... and last Friday it was \$1.71.

That's enough to make anyone anxious, and this anxiety was much in evidence at Hutchinson. Some farmers demanded an increase in the loan rate, apparently seeking the old relationship of market prices at the loan level, overlooking that seldom -- if ever -- did they exceed the loan rate.

They forgot, apparently, the certificate payments, which in 1966 are bringing the average farm price for wheat to \$2.14 a bushel, blend price, vs. the \$1.60 a bushel that Canadian wheat farmers are estimating for their 1966 crop. They also overlooked this fact: to increase the loan rate on wheat means, by law, lowering the certificate payment with the end result of lower income to the wheat farmer.

2. The juxtaposition of events has caused much uneasiness -- and, yes, much distrust -- among farmers. I won't go into details but here are a few examples:

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We're in a wartime economy, and inflation last year was almost as threatening to our domestic economy as the Vietcong was to our troops in the field. We're fighting this inflation, and so far, we're winning the battle. We're winning it, it is important to note, without the imposition of either wage or price controls. Consumer prices went up 2.9 percent last year. In a comparable period in World War II they rose nearly 11 percent in a single year; during the Korean War they went up 8 percent in a year.

The actions that had to be taken; in reduced government expenditures, in slowing down the boom, in credit, and by some statements too ("jaw bone" price control) -- weren't politically popular, necessary as they were. In many quarters they were painted as -- quote -- "war" against the farmer -- or as a writing off of the farmer in favor of the consumer. Actions in reducing massive grain surpluses were painted as deliberate moves to depress farm prices. Actions to increase acreage taken to insure adequate wheat and feed grain supplies were pictured as efforts to build up price-depressing surpluses. None of these allegations was true, but, unfortunately, many gained wide currency in the country.

3. The price turndown, obviously, is the biggest single cause of farmer-concern. Most of the causes for this turndown -- bumper grain crops in Canada, Australia and the Soviet Union ... increased production of fed cattle, hogs, poultry and milk at home ... were beyond anyone's control, as was the continuing climb in the cost production. But this didn't make them any more palatable.

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These are some of the major causes of farmer unrest as I gauged them from some 15 hours of listening and answering questions. But knowing the problems isn't enough and so, throughout the meetings, I asked for suggestions from the floor on changing the situation. I think you will be interested in some of my findings.

First there is the obvious solution, proposed by one major farm organization, and introduced by a city Congressman from Missouri, of abolishing grain programs altogether.

This was suggested at Hutchinson and again at Ames, and so I asked the audience -- composed of both leaders and dirt farmers themselves -- what they thought of the suggestion.

At Hutchinson, out of roughly 1,600 farmers in attendance, exactly six hands were raised in support of the Curtis bill. At Ames, when I asked the same question, the response grew by "leaps and bounds" -- perhaps 15 to 20 favored it out of some 1,300 attending.

And so at Ames, I asked another obvious question. Assuming we could get it through the Congress, I asked, how many would be in favor of tight mandatory programs, based on bushels, pounds and bales, that would assure price parity? -- (a program similar to the early supply management proposals I made in 1961 and 1962).

A lot of hands went up -- a lot of them.

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And so I asked the next obvious question ... how about a 40 percent cut in acreage, a cut that would assure tight reins on supply, but, on the other hand, assure price?

A lot of hands -- most of them -- went right down again.

And so I was left with this conclusion: We'd better work harder -- and we'd better all get behind -- our present New Era programs. No one claims -- myself least of all -- that they're perfect, or that the programs can't be improved. But the Congress has made it clear that these are all the commodity programs we're going to have -- at least until we give them a real four-year test. And so, in my opinion, we'd better be hard-headed and act accordingly.

I've often compared the government's role in this New Era to that of a referee. The ref must keep the teams on the playing field. The basic commodity programs make that possible by preventing either surplus or shortage of the basic commodities, especially the grains.

The players, in this analogy, are supply and demand, and it's important that the two teams be of reasonably equal strength. If they are, then the game in the market place will benefit all concerned.

Using this football analogy, government -- in addition to keeping the teams from going out of bounds -- can help keep the demand team strong by a more skillful job of using the nearly \$2 billion spent each year for domestic and concessional food programs (P.L. 480 purchases, Section 32 funds), thereby evening out the peaks and valleys

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in demand. We can continue and upgrade our already-massive efforts to increase commercial exports, which will pass the \$5 billion mark this year. There are other things we can do, such as the recent dairy petition sent to the Tariff Commission. We can continue our efforts to keep the domestic economy strong, which expands demand here at home. We can improve the scoreboard system, by refining and improving our statistical analysis, doing a better job of informing farmers and their organizations of supply, demand, and market conditions.

So much for the demand team.

What Farmers Want

The supply side, as always, is more difficult. But I'm confident the supply team can be strengthened, too. At all three stops last week I detected increasingly strong farmer sentiment of greater organization, greater participation in the market pricing process by farmers themselves.

There was strong grass roots public support for doing something to make it possible for farmers to bargain more effectively. There was growing realization that in order to keep the supply and demand teams evenly balanced, farmers themselves must do a better job of marketing, both individually and through farm organizations and cooperatives.

I tried to help this sentiment along by pointing out, at each stop, the facts on what cooperatives have done in the farm supply field. I pointed out that, while prices of all farm inputs rose 4.5 percent last year, they rose least -- 6/10th percent and 1.1 percent respectively -- in fertilizers and petroleum, areas in which cooperatives are largely integrated from raw materials through retail distribution.

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Although 20 major companies dominate petroleum, and a half-dozen the fertilizer industry, competition still prevails because the co-ops are there. This is a message which has to be broadcast ever more widely over the field's P. A. system, for, while the half-billion dollars co-ops returned last year is important, it's only the tip of the iceberg. The real muscle co-ops can swing is in the "yardstick" function ... to put it simply, by "keeping the competition honest."

Muscle in the marketplace came through to me loud and clear in these meetings. This is an idea thoroughly familiar to the National Federation of Grain Cooperatives. M. W. Thatcher, a founder and driving force in this Federation since its beginning, first proposed it. This is what he had to say about the concept back in 1947:

"Labor, through the National Labor Relations Act, is able to use its collective power to bargain for wages and working conditions. That is what a National Agricultural Relations Act seeks for farmers -- the right for them to use their collective power to secure fair prices for their products. Certainly the public cannot deny for farmers what it already has granted to labor."

This idea is receiving the closest attention in the Department of Agriculture now. Provisions in the Capper-Volstead Act are being closely studied. Legislation is being examined.

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I am convinced that the plight of the American farmer is increasingly well-known to the consumer. This gives hope for strengthening the farmer's hand. During last summer's waves of housewife boycotts of food chains, I can't remember a single instance in which the ladycotters held up the farmer as a whipping boy for higher food prices. A recent survey in my native state of Minnesota revealed that some 72 percent of those polled think farmers are not getting a fair return and further, that a majority would not object to reasonably higher food prices, provided these increases went to the farmer, and not to the middleman.

The problem now, as in the past, is translating this latent good will into action. Doing this will take alertness and militancy. It may well be that a National Agricultural Relations Act for farmers is an idea whose time has come.

More Effective Co-Ops

A key part of any program to give farmers more muscle in the market place must be played by cooperatives.

The co-ops in this Federation have had a tremendous effect over the years ... increasing the efficiency of grain marketing, reducing industry charges for shipping and handling grain, assuring an honest and competitive market. Yet it is fair to say, I think, that successful as your cooperatives have been, they have not yet been able to provide the bargaining power that farmers need to significantly influence the price of grain. You are not yet able to negotiate the price for wheat the way, say, steelworkers are able to negotiate their hourly wages.

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What can give you this bargaining power?

Well, first of all, it seems to me you should consider even further consolidation of your efforts. Size is a factor. The more grain you market, and the fewer your voices in the wheat pit of the Chicago board of trade, the more likely you are to get the price you want.

Cooperatives market 40 percent of the grain that's grown in the U.S. But sometimes, it seems to me, the firms that buy your grain have been able to trade off the farmers of one region against the farmers of another region -- to the detriment of both.

I'm delighted to learn that regional grain marketing co-ops in Kansas, Nebraska, and Colorado are considering consolidation. Such a move must be practical, of course, and satisfy the tests of economic feasibility. But it is clearly evident that the more farmers speak with a single voice, the greater is their ability to bargain successfully for price.

Second, it seems to me that the experience of some of your own member organizations indicates the direction you may wish to take.

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For example, Arkansas Grain Corporation, a co-op, was organized 10 years ago. In the nine years prior to its organization, the price of soybeans in Arkansas ranged 11 cents a bushel below the national average. Today, Arkansas growers are getting 25 cents a bushel above the national average.

One of the principal reasons for this sharp turn-around is that this co-op is today processing almost half the soybeans grown in the state. The co-op's ability to turn these soybeans into meal and oil is a principal basis for this success.

Prices of these processed products are more stable. Through his cooperatives, the soybean grower has a chance to choose whether he'll bargain with the processors of his beans or whether he'll bargain with the purchases of soybean meal and oil.

I don't mean that soybean processing co-ops have ushered in the Promised Land. They have not. Yet the ability of these cooperatives to influence in some measure the price of soybeans is, it seems to me, unmistakable. Without this ability, the soybean grower would not be in as good a position to exercise bargaining power.

Other cooperatives are beginning to move in this direction, too. Not only are you turning soybeans and flaxseed into meal and oil, you're turning barley into malt. You're turning wheat into bulgar. You're in a better position to negotiate the prices of these products than to negotiate the prices of the grains themselves. This, it seems to me, is one of the things we mean by bargaining power.

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There are things the government can do, also. This morning, for example, the Board of the Commodity Credit Corporation authorized extension of the maturity date on loans for the 1967-crop grains and soybeans stored in commercial warehouses. This authority, to be used if needed, is in addition to the present "reseal" program for commodities stored under CCC on farms.

If you're to acquire the processing facilities that will give you and your members increased bargaining power it will, of course, require a lot of money. You can't acquire that money tomorrow - or even the next day. To do so is tough, but not impossible.

Some of the money can come from co-op members. I know they're not wealthy. Yet some of them will go for a feasible undertaking -- one they could control themselves through their cooperatives -- one that gave promise of increasing their ability to bargain successfully for better crop and livestock prices. I know this is so because some of them have told me so.

Some of the money you'll need may be on hand today. Generally, cooperatives are quite conservative in their use of the financial resources their members provide. Periodic re-examination of financial policies is usually a rewarding endeavor. Perhaps new sources of credit can be developed.

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I mention money because it's so often mentioned to me.

But building successful processing cooperatives takes more than money, as you know so well. It takes leadership, skilled management and, perhaps most important of all, a membership that understands what you're trying to accomplish and how you expect to go about it.

All of this is not new to this gathering of experienced, skilled and dedicated co-op leaders. But what is new and exciting is a new national attitude.

If I gauge the nation's temper correctly, your efforts to gain bargaining power for farm people has the overwhelming support of the American public.

At long last the farmer's story has "gotten through." This means that now, more than ever before, farmers have the opportunity, through their own self-help efforts, through their cooperatives, to move toward greater control over the supply side in the supply-demand market contest.

Such improved control over supplies, combined with more effective government programs, can mean better prices and parity of income for farmers. I can assure you that farmers, farm organizations and their cooperatives will get every possible assistance from USDA in their efforts to strengthen farmer-control over supply.

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Let me close on a sober note. It will take time to carry out what we have discussed today. Putting a body on the skeleton of our dreams is a difficult, sometimes tortuous process.

In the meantime we must be aware that farm strength in the U.S. House of Representatives -- as measured by districts with 20 percent or more farm population -- has shrunk by two-thirds, from 165 in 1954 down to 47 in the present Congress. City districts have risen from 157 to 301 in the same period.

This is the House that will decide new legislation we may seek to strengthen the farmer's bargaining power. They will also make the decision on renewal of the present four year programs -- or even possibly their repeal. There is a danger, in this summer of our discontent, that we will give this Congress the impression that rural America is so dissatisfied with present programs that we are ready to throw them out and begin all over again.

In my opinion, this would be an ill-considered, unwise and dangerous impression to give. Responsible organizations such as the National Federation of Grain Cooperatives, can do a great deal in presenting to farmers the real alternatives they face today and in the future, wisely sorting out the real from the imaginary, the practical from the illusionary, attempting in every way to weld agriculture's many voices into one.

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May I close with a story, the moral of which is obvious. It concerns a farmer who was one day observed by his neighbor, plowing a steep hillside with a mixed team of one blind jackass and a wild bull.

"That's a pretty strange team you've got there," the neighbor commented.

Not so strange," came the reply. "The one can't see and the other just don't give a darn.

Thank You.

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Statement of Orville L. Freeman, Secretary of Agriculture
Before the
Senate Subcommittee on Agricultural Research and General Legislation
Tuesday, April 25, 1967

Mr. Chairman, Members of the Subcommittee:

I am happy to appear here this morning to discuss the Food Stamp Program with you.

The Food Stamp Program is a success.

It has more than lived up to our very high expectations of three years ago.

It has, in fact, been an exciting, imaginative and effective venture.

-- It has charted a new course in the wise and prudent use of this country's abundance of food.

-- It has improved the diets and health of our low-income families.

-- It has expanded food markets for our farmers.

-- It has stimulated the local economies of the areas in which it operates.

Again I want to pay tribute to the vision of members of this Committee, who, in 1964, helped enact the Food Stamp Act. And I want -- as I did then -- to acknowledge the special contribution of Senator Aiken of the Committee -- who, for more than 20 years worked to enact such legislation.

Mr. Chairman, there is attached to my statement a table which shows the progress we have made since the Act was signed in August 1964. I am also submitting for the record detailed data for each of the 645 areas that operated Food Stamp Programs in February of this year, in which 1.5 million people in 41 States and the District of Columbia were participating.

But today, I do not want to dwell on the details of program operations or statistics. Rather, I want to review the broad place and purpose of the program in the whole range of activities for which the Department of Agriculture is responsible.

This program is in the Department of Agriculture because it is a farm and food program.

It provides increased outlets for our food surpluses and helps raise farm income. Here, I do not refer to food surpluses in the narrow sense of the commodities we have under loan or in inventory of the Commodity Credit Corporation. Rather, I refer to the excess capacity our farmers have to produce food -- the food they could produce to their economic benefit, if the markets were available. And a larger market is available -- it is the need for better diets among our low-income families. In effect -- through the Food Stamp Program -- this Committee and the whole Congress are building a bridge between those of our farmers who need larger markets and our poor families who need more and better food.

Mr. Chairman, you will recall that we undertook a careful three-year test of this program before we asked the Congress to provide continuing authority for it. During that test, we carefully studied its results to determine if, as a farm program, we would get the results we expected.

Those studies dramatically demonstrated the effectiveness of the food stamp approach.

Farm markets were expanded. A study in Detroit showed that food stamp families bought:

- 37 percent more meat
- 32 percent more poultry
- 67 percent more fresh fruit
- 60 percent more fresh vegetables
- 80 percent more fluid milk

I could go on -- these food stamp families used more grains -- even though we had been donating cereal products to them before the Food Stamp Program started.

If we want to enlarge domestic markets for grains, the best way to do it is to make it possible for low-income families to buy more livestock products. And the Food Stamp Program does that.

That Detroit study showed that -- with the same amount of Federal subsidy -- the Food Stamp Program has a greater impact on farm income than does the direct donation of surplus foods.

The level of food consumption obtained among low-income families in Detroit -- when we were providing surplus foods -- provided a return of \$1.75 per person per week to the farmer. Under the stamp program, the farmer's share increased to \$2.01 -- a 15 percent increase.

Its successes as a farm program have been paralleled by its success as a food program.

It is a very valuable supplement to the restricted food budgets of our low-income families. It means more meat, more milk, more poultry, more fruits and vegetables for the food stamp family. And these are the protective foods that make for better diets and improved health.

Our files are full of unsolicited reports from families concerning what the Food Stamp Program has meant to them. Let me quote from an article that appeared in the Wall Street Journal of September 30, 1966.

"'But I can't raise a family of young-uns on three days work and \$35 a week.'

"So Mr. Collins, who has spent his whole life here in the Cumberland Mountains, counts heavily on help from Federal food stamps that can be used like cash at the grocery store.

Gesturing at his neatly-dressed eight-year-old boy, he says:

'This one would still be eating bread and gravy for breakfast instead of eggs, milk and cereal if it weren't for those food stamps.'"

The Food Stamp Program has been well administered. There have been no scandals. There has been no evidence of poor administration.

And again I would acknowledge the contribution of this Committee in developing the basic framework of the program -- as set forth in the Food Stamp Act of 1964. Among other things, this Committee developed amendments to our original bill that more clearly and precisely defined program eligibility and that more precisely established the responsibility of States for proper program administration. Those amendments have stood the "test of time" and actual operating experience.

Finally, the program has acted as a stimulus to the entire economy of the community. The extra dollars that move into food stamp communities

increase retail food sales by an average of 8 percent, according to studies. The retailer buys more food from the local wholesaler -- many retailers report that they hire extra help, etc. So, these extra dollars turn around many times in the local community.

Again, let me quote from the Wall Street Journal article:

"'My grocery business is like the old days when the coal mines were booming,' says Merlin D. Smith who has run a country store in the county for 20 years."

As always, there are some misunderstandings about a new program.

First, there is some misunderstanding about the role of State and local governments and the control they exercise.

It is a cooperative Federal-State-local program. The Department of Agriculture cannot put a single program into operation anywhere. The States and localities must request it. In fact, it's a 100 percent voluntary program -- for the States, for the localities, for the retail stores, and for the family it is designed to help.

The States set the eligibility standards and each family is certified by the local office of the State welfare agencies. The States and localities determine how and where the coupons are to be sold to participating families. And they must finance almost all of those certification and issuance costs.

Second, there is a misunderstanding that the Food Stamp Program permits States to evade their responsibilities for the basic public assistance or general relief of the poor.

Families must continue to spend their own money for food -- even though the families were getting their income from a public assistance or local relief grant. That is why we have a minimum purchase requirement -- even for the family with very low and irregular income. It has been traditional for community resources -- either public or private -- to help families who find themselves in a short-term emergency. Thus, when we put a food stamp program into an area, we expect those community resources to finance the minimum purchase requirements for the family in an emergency.

So the States and localities must continue to carry out their basic responsibilities for the relief of the poor. They cannot use the Food Stamp Program as a "back-door" method of shifting that responsibility to the Department of Agriculture.

Third, some have felt that the States should finance 20 percent of the cost of the free coupons so that they may exercise proper control of the program.

If this change is made in the program, then most of the States will likely end their participation in the program, and go back to the distribution of surplus foods.

1. States continue to have serious difficulty providing sufficient funds to support their own public welfare programs. Some States -- particularly the lower income

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States -- are not now taking full advantage of available Federal public assistance funds because they have not been able to raise the tax funds required.

2. Major efforts are being made both by the Federal Government and the States to upgrade the level of welfare assistance to provide more adequately for the needs of the nation's needy families. These efforts will further tax available financial resources within the States between now and the time States would be asked to assume cost-sharing responsibility for the Food Stamp Program.
3. Welfare programs must provide for many pressing needs of poor families in addition to better nutrition through increased food consumption. The States' welfare programs must provide for all the needs of their needy families and State resources must be effectively allocated to that end. In fact, if States were now able to finance a public assistance program of adequate scope, we would not need a Food Stamp Program.

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4. The States have available to them a Federal food program which does not require cost sharing. By choosing to participate in the Commodity Distribution Program they can continue to provide food assistance to needy families without assuming the financial burden that would be imposed on them by a cost sharing requirement in the Food Stamp Program.

Finally, it is important that the appropriation authorities for the program be authorized for an additional three years. We believe our experience under the Act demonstrates the wisdom of this Committee and the Congress in establishing the principle of gradual progressive program expansion -- with appropriation authorities specified for a three-year period. This has meant that both the Department and cooperating State welfare agencies have had the time to gain experience and modify and adjust the program -- based upon that experience. And it has permitted both the Department and the States to build the kind of administrative organization that is essential to effective and prudent program management and control.

The program has worked well because the States have been able to plan ahead -- rather than on a year-to-year basis. And it was in recognition of this need that the Congress acted to provide the Department and the States a basis for forward planning -- for three years -- when the Act was passed in 1964.

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To now place the program on a year-to-year basis would mean less orderly program expansion and less effective administration. It would endanger the goals and objectives set forth by the Congress and the effective administration that we and the States have been able to achieve.

I urge the Subcommittee to recommend a food stamp bill that will permit the program to continue and to expand -- on the sound and workable basis embodied in the Food Stamp Act of 1964.

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FOOD STAMP PROGRAM
SELECTED PROGRAM STATISTICS FOR SPECIFIED MONTHS

ITEM	For the Month of --				
	August 1964	June 1965	June 1966	February 1967	June 1967 (Projection)
Number of States	22	29	41 ^{a/}	42 ^{a/}	43 ^{a/}
Number of Areas	43	110	324	645	875
Number of Participants	350,550	632,687	1,218,399	1,557,063	2,000,000
Number of Retail Food Stores	13,300	18,000	42,200	60,900	88,000
Number of Wholesale Food Stores	700	1,000	1,500	1,600	2,000
Monthly Value of Coupons Issued					
Total Coupons	\$5,865,057	\$10,639,497	\$20,577,786	\$26,409,959	\$34,000,000
Bonus Coupons	\$2,235,405	\$ 3,988,717	\$ 7,398,372	\$ 9,559,675	\$12,280,000
Percent of Bonus Coupons	38%	37%	36%	36%	36%
Bonus Coupons Per Person	\$6.38	\$6.30	\$6.07	\$6.14	\$6.14

^{a/} Includes the District of Columbia

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Testimony of Secretary of Agriculture
Orville L. Freeman
Before the Agricultural Research and General
Legislation Sub-committee of the Senate Committee
on Agriculture and Forestry
on S.109
10 a.m. Tuesday, May 2, 1967, Washington, D.C.

Mr. Chairman, members:

I come here today to recommend the enactment of S. 109, the
Agricultural Producers Marketing Act of 1967.

This legislation can be another benchmark for farmers and
ranchers in their fight for fairer prices for their products. It can
aid the weak against the strong. In an economy where marketing is
playing an increasingly dominant role, it is vital that the farmer
be able to organize and participate as an equal in the bargaining
that is an integral part of the marketing process.

More than 40 years ago, the Congress passed the historic
Capper-Volstead Act (1922). This is the "Magna Carta" of farmers'
cooperatives. The Act gave farmers certain limited legal rights to
organize cooperatives without being in violation of the anti-trust
laws. The co-op action that followed enabled farmers through the
years to increase their net incomes many billions of dollars.

The Capper-Volstead Act raised agriculture to greater equality
with industry. It grants no special privilege. Cooperatives are
subject to investigation and prosecution for unfair competition and
other illegal actions restraining trade.

Experience has shown, however, that the provisions of the Capper-Volstead Act, as it now stands, fall short of giving the farmer equal opportunity with other segments of our economy.

In too many cases, farmers today come hat-in-hand to those who buy their products. All too often they have no alternative but to take what processors, packers, handlers, canners, and others are willing to pay for their crops and livestock products. They are unable to bargain effectively.

The widespread use of marketing contracts by buyers dramatizes the need for farmers and ranchers to strengthen their bargaining position in many commodities. It has created a need for more complete marketing data and stronger and more effective bargaining associations of producers.

Moreover, farmers' bargaining position will continue to erode, as those who buy their products decline in number and increase in size and economic strength. As this process continues, the farmers' side of the marketing system will become weaker and weaker if nothing is done to strengthen it.

It is consistent with the American free enterprise system that farmers join together to build their strength to bargain in the marketing process.

One way to do this is a bargaining association. Through cooperation, many farmers can act and speak as if they were a single producer. Such unity is the basis of bargaining power. Through group effort, farmers can hope to survive in today's increasingly large-volume market where many products are produced under contract arrangements between the processor and the producer.

A bargaining cooperative is a voluntary, non-profit local agricultural association mostly of small and medium size producers. Its main purpose is to negotiate price and other terms of sale with processors and other buyers.

Market negotiations are nothing new. Milk bargaining associations, for example, have been effective in certain areas for more than 50 years. In the sugar beet industry, which is governed by the Sugar Act, price and other market contract provisions are negotiated with processors by regional sugar beet associations.

Some farmers producing specialty crops such as asparagus, tomatoes, cherries, apples, peaches and pears, have organized bargaining cooperatives. They recognize that only through group effort can they hope to survive.

Yet farmers who organize cooperatives or bargaining associations or who join such cooperatives all-too-often become the target of processors' discrimination and intimidation. They have been harassed. Production schedules have been disrupted. Their contracts have not

been renewed. They have been denied production assistance and the same treatment accorded other producers. Farmers who joined bargaining associations have been "black-listed."

Buyers frequently operate in several states. If growers become active in organizing bargaining associations in one area, the processor can go to another area for his products or finance the development of a new growing area. Or a buyer may contract for the coming season only with farmers who are not members of the bargaining cooperative.

In other cases processors have given favors to non-members or other inducements to motivate members to withdraw from the cooperative. This provides a strong inducement for the farmer either not to join the association or to terminate his membership.

Some bargaining associations have had difficulty because of the economic power that processors have been able to bring to bear against them.

One of the questions asked farmers in a recent study of the Great Lakes tart cherry industry made by the Department of Agricultural Economics at Michigan State University was: "Why are you hesitant about being a member of the Great Lakes Cherry Producers Marketing Cooperative?" A number of producers replied: "Processor indicated he might not buy growers' cherries if a member;" others simply said: "The processor said not to join."

These farmers are reflecting a fear prompted by processors who want to continue to buy direct and dictate the terms. These farmers reacted like the gentleman in the rear pew who remained seated when the minister asked those who wanted to go to Heaven to stand. "John," the minister asked, "don't you want to go to Heaven?" "Yes," John replied, "but I thought you were making up a load right now."

Bargaining cooperatives have found it impossible to get effective legal relief for discriminatory actions against members because present legislation is inadequate, nonspecific, and cumbersome.

The producers of farm products, especially perishable farm products, need prompt legal action if it is to be of any value to them.

Gentlemen, you have heard or will hear that the Sherman Anti-trust Act, the Federal Trade Commission Act, and others are sufficient regulatory devices.

Neither the Sherman Act nor the Federal Trade Commission Act was deemed by Congress to be completely adequate to suppress such competitive restraints as those arising out of price discrimination.

To treat adequately with this type of anti-competitive activity the Congress enacted the Robinson-Patman Act. Section 2(a) of the

Act prohibits a seller from discriminating in price between purchasers of goods of like grade and quality where the effect of that discrimination is to create competitive injury.

It also prohibits the buyer from knowingly receiving a preferential price. But, the buyer is not required to purchase from all sellers on the same basis. Thus, the Act does not apply to situations where a buyer pays a discriminatory price to one grower as compared to another, regardless of the reason.

The Robinson-Patman Act, therefore, does not afford any protection to cooperative associations or their members against price discrimination by a buyer because of organization activities. Furthermore, the Act does not reflect the greater concentration of buying power that has taken place in the agricultural marketing system.

The deficiencies in existing laws will be mitigated to implement the many acts of Congress which accord recognition and encouragement to farmer-owned and farmer-controlled cooperative associations by the legislation currently before you.

S. 109 specifically prohibits any handler from:

- interfering, or threatening to interfere, with a producer joining a cooperative,
- discriminating, or threatening to discriminate, against a producer because of his membership in a cooperative,

- coercing a producer to terminate such membership,
- making false reports about, or interfering with,
cooperatives,
- conspiring with any other person to do, or aid the
doing of, any such act.

Mr. Chairman, I believe S. 109 could be strengthened by several amendments: (1) by deleting the word "boycott" in Section 4a and substituting more precise language for this purpose, (2) by providing for enforcement of this Act through the same administrative procedures under the jurisdiction of the Secretary of Agriculture as are embodied in the Packers and Stockyards Act, and (3) by giving the Secretary authority to request restraining orders so as to prevent irreparable harm to producers during the pendency of such administrative proceedings.

Mr. Chairman, so as not to burden the discussion now with the suggested statutory language, I'd like to leave the proposed amendments with the committee for its consideration and make them a part of this statement.

I want to emphasize that many responsible handlers see the advantages of bargaining with responsible groups of organized producers. Contracts with bargaining associations assure the buyers an orderly plant processing schedule of designated volume, quality, and specific delivery dates.

Spokesmen for many producers have for years urged Congress to enact legislation that would prohibit processors of agricultural commodities from discriminating in any way against farmers who join or organize bargaining cooperatives and from discriminating against such cooperatives.

The National Commission on Food Marketing, and among its 15 members were 10 Members of Congress, also found a vital need for legislative protection of the right of farmers to organize. Its study reported in the June 1966 publication, Food from Farmer to Consumer, included this statement:

"We believe that specific legislation should be enacted providing that all processors, shippers, and buyers of farm products, engaging in or affecting interstate trade, are prohibited from obstructing the formation or operation of a producers' bargaining association or cooperative ..."

S. 109 will not, by itself, raise farmers' incomes or solve all their difficulties. Existing programs for the basic commodities are essential if we are to continue to lift farmers' income toward the goal of parity with other segments of the economy.

S. 109 simply assures that farmers can organize a cooperative without fear of discrimination or reprisals. It will not infringe on the freedom of processors to choose producers, so long as the choice is not on the basis of membership or non-membership in a cooperative. It will not force buyers to deal with producers of

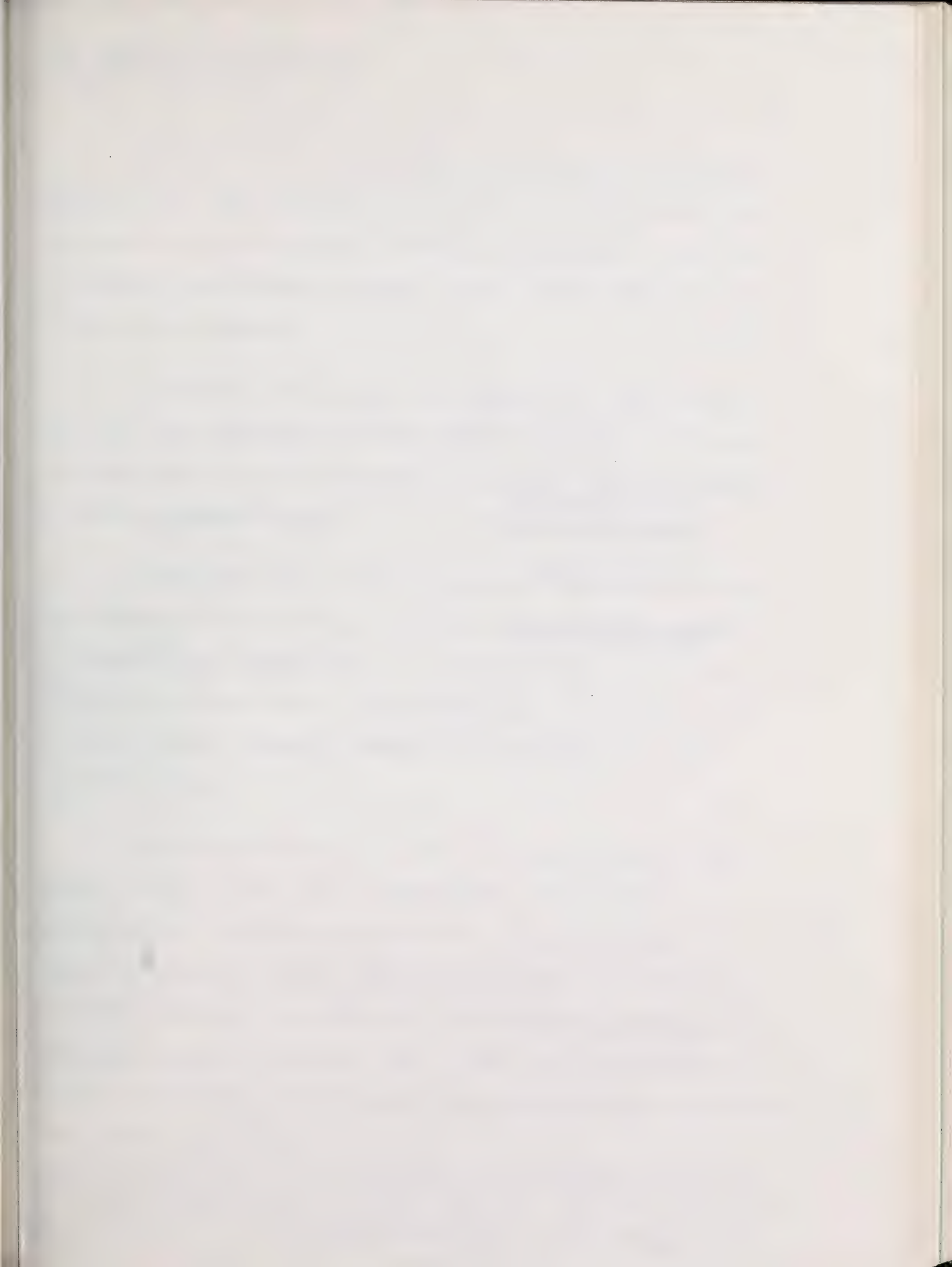
inferior products, nor will it force farmers to join a cooperative. It will not reduce freedom of competition. In fact, it will stimulate competition by eliminating the unfair advantages some processors gain by practicing discrimination.

Gentlemen, today bargaining is an important part of our maturing free enterprise system. Under the "New Era" farm programs established by the Congress in 1965 with the passage of the Food and Agriculture Act, the market operates more freely and the farmers' decision-making is freer of government than it has been for 30 years. However, if the expanded play of the market and private decision-making is to work fairly and produce the best results for the entire nation, the bargaining partners must be somewhat comparable in strength. That is not true today. Because he usually acts individually, the farmer has almost no strength at the bargaining table. It is only when farmers act in concert that the bargaining process can function as intended in our free enterprise system. It is simply too much to expect a result fair to both parties and in the national interest when one party at the bargaining table is so much stronger than the other. Congress recognized this when it enacted laws governing bargaining between labor and management.

Farmers and their cooperatives are simply asking in S. 109 that they have the same right to organize and to bargain in the market place that is accorded other groups. The Act before you will be an important step in that direction.

The Department of Agriculture recommends the early enactment of S. 109 with the amendments I have submitted.

Thank you very much.



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Office of the Secretary

Meeting with the National Recreation and Parks Association is getting to be a habit with me. We met together only last October and since then I have had the great privilege of being named to your Board of Trustees. And so I am here today, not as a stranger, but rather as a member of your family.

And quite a family it is. Individually, and now jointly, the six constituent members of this association have provided a strong and respected voice for outdoor recreation, long before this cause became a popular nationwide concern.

Conservation and outdoor recreation are now front page news and a subject of daily debate in Congress. This didn't "just happen." It happened because people cared . . . people like your own Laurance Rockefeller, and many others. A few people cared at first, now a lot of them do. Your organization deserves a large share of the credit for making this so.

My remarks today will be brief. Later in the day you will be hearing from the top USDA people concerned with recreation and administration. They will outline the wide-ranging Department recreation programs in detail. Question them closely and carefully, for we can learn much from each other. The Department of Agriculture has resources that can help you. You, in turn, can help us enormously in our efforts to operate our programs more imaginatively and effectively. That is why we are here.

Remarks by Secretary of Agriculture Orville L. Freeman to the National Recreation and Park Association Federal Assistance Institute, Wednesday, May 3, 1967, 8:30 a.m., EDT, Washington, D.C.

I would like to spend my time this morning discussing what USDA is doing to hammer out a department-wide, unified policy for recreation development . . . why we're doing it, and what we hope to accomplish.

For want of a better name, I call it a "unified field theory" on recreation/conservation.

Joe Califano, a special assistant to President Johnson, spoke to this point before the Washington chapter of Sigma Delta Chi last week. He said, in part:

". . . This new approach to problem-solving and decision-making has many names: systems analysis, cost effectiveness, planning-programming-budgeting-evaluation.

"The name is not important. The approach is. It is a systematic way of saying: what are all the parts of the problem, how do they affect each other, and why? It gives us new management tools to determine our objectives, set our priorities, examine the options open to us and apply the resources available to those programs which will have the maximum impact on the solution of our problems.

"For the approach to be total, problems must be defined and examined in their entirety, as a whole, rather than in bits and pieces . . .

(more)

Mr. Califano was talking about the entire Federal establishment in his speech, with particular reference to Presidential problem-solving. But his words are equally applicable to our subject today.

The USDA got into the recreation business in bits and pieces, over a period of many years, law-by-law, as authority was granted by the Congress.

The Forest Service, of course, has been in the business ever since its founding, back in the early 1900's, both because of the nature of the lands it administers and because of the prescience of some of its early Chiefs.

Long before passage of the Food and Agriculture Act of 1962, the Soil Conservation Service, Farmers Home Administration and the Agricultural Stabilization and Conservation Service had limited authority to foster recreational development and did much with what they had. But the 1962 Act -- sometimes called a Charter for Rural America -- greatly expanded this authority. It amended P.L. 566 to include recreation in small watersheds, it allowed us to include planning and technical assistance for recreation on public and private lands, and gave us authority for Resource Conservation and Development Projects.

The Department's recreation efforts got another boost in 1965 with passage of the Food and Agriculture Act, which provided for recreation and wildlife conservation measures under the Cropland Adjustment Program, and for parks under the Greenspan program.

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Last year, Title III of the Bankhead-Jones Act was amended to allow FHA rural renewal loans to be made to local non-profit organizations engaged in recreation, and this year we have asked Congress for funds to cost-share under this program. The President requested, also this year, broadened loan authority for the Farmers Home Administration to bolster its farm-based recreation development program.

Only now are we really getting under way. Yet we have already accomplished a great deal under these programs. I won't cite all the statistics, impressive as they are. Suffice to say we have put idle acres -- unneeded for crop production -- to work producing recreation, or providing cover for wildlife, rather than lying in a sterile soil bank. We have put several hundred thousand acres of water to work providing recreation -- in addition to flood control. And we have launched 26 Resource Conservation and Development projects.

I'm especially proud of these RC&D developments. Many of them wrap up water-based and shoreline recreation, municipal water and flood control into one package. All are planned in a comprehensive manner, one in which physical development is keyed into an over-all community development plan, and recreation is given a prime spot. In addition, many RC&D's provide a tangible example of how soundly-planned recreation resources can help a community attract industry by providing the kind of physical environment that plant-location experts demand.

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In doing all of these things we leaned heavily on the multiple-use concept, pioneered by the USDA's Forest Service. In the National Forests, the same public domain that provides a timber harvest also provides recreation, serves as a watershed, conserves the soil . . . perhaps grazes cattle.

Similarly on privateland, an acre of cropland, taken out of production in the national interest, can still serve the national interest by providing cover for game, or perhaps open space for city residents. The same dam that protects us from floods can also impound water for boating, picnicking, fishing, and boost the local economy by attracting a new industrial plant.

And so, bit by bit, over the years, we have hammered out viable recreation programs in the USDA. Then the time came to graduate from a piecemeal approach. More than a year ago, we determined to set out an over-all Department policy for recreation, one that would program recreation as a primary Department mission.

The result is a USDA recreation policy that encompasses both public lands in the National Forests, and the three-quarters of United States land area in private hands.

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First the public lands. As you know, recreation visits to the National Forests are literally exploding. And so, as part of our over-all recreation policy, we plan to triple the capacity of National Forest recreation facilities to help keep pace with this greatly expanded use.

We are well on our way toward completing studies of the National Forest portion of the Wilderness Preservation system, and by next fall, will have proposed inclusion of 12 more wilderness areas totaling more than one million acres.

We have strongly supported both the proposed Scenic Rivers and National Trail System legislation and are planning on providing major segments of both systems within the National Forests, when and if they become law.

As you know, the Department was an early proponent and is now an active supporter of the Land and Water Conservation Fund -- the Golden Eagle program -- an act that allowed us to acquire the 18,000-acre Sylvania tract in Michigan, and that has funded other badly-needed recreational lands in the East.

Most of you in this room are thoroughly familiar with our recreation work in the National Forests, and now in the National Recreation areas. The National Forests provide a lion's share of the public recreational facilities available to most Americans. Last year they received some 151 million visitor days of use, 43 percent of the recreation visits to all Federal lands.

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And I am sure you are just as familiar with the demographic characteristics of this nation: If we use the Mississippi River as a dividing line, some 66 percent of our population lives east of the River, yet only little over 8 percent of our National Forests lie in the East.

The population center of the United States -- that point on which the U.S. would "balance," if every person in it weighed the same -- is in Illinois.

The "National Forest Centerline" -- that line on which there is as much National Forest acreage to the east as to the west -- runs through Western Wyoming, somewhere near Rock Springs.

And so the public lands are where the people aren't, and this has important ramifications in the Department's recreational policy. For, while we are bending every effort to upgrade the National Forests' recreation potential, we are also making plans to put recreation where the people are.

I've already discussed the Golden Eagle program that has allowed the Department -- and other Federal agencies -- to acquire lands for recreation. This is a good program, and it's putting the National Seashores, the National Recreation Areas, out where the people are.

(more)

Yet -- as I'm sure all of you realize -- funds under this program are limited and probably won't ever be sufficient, even with cost-sharing by local communities, to provide all the public recreation lands we need.

An example is the Redwood Park out in California. Here's a proposed park with nationwide support, highly publicized; that would preserve some of the most spectacular examples of God's handiwork on the North American continent.

With all of these things going for it, getting the money is still extremely difficult, and may prove to be impossible.

How much more difficult, then, to get funds for a less well-known, less spectacular -- but just as worthwhile -- recreational area.

These inherent difficulties -- the imbalance in public lands, East vs. West and the money problem, plus the overriding need of our people for recreation -- all went into the Department's basic recreational policy, and all affected our specific policy on recreation on private lands, that I issued today.

These are the highlights of this policy:

1. More emphasis on recreation developments on private lands in rural areas, for those landowners who want to build them, and have the capacity to manage them, with a view toward providing the recreational opportunities needed and desired by the American people.

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2. USDA agencies have been directed to provide the research, technical, educational and financial help needed to strengthen existing programs for private land recreation. A high priority has been assigned to these programs.

3. Special attention will be devoted to income-producing recreation in low-income rural areas as a means of creating more jobs and new sources of income.

4. USDA will seek to establish recreation development in connection with each watershed project carried out with public help.

5. Recreation research activities will be greatly expanded to catalogue private lands suitable for recreation, to determine what the recreation-consuming public wants, and to discover the thousand-and-one items that spell success or failure for the individual enterprise.

This is important.

Right now, Federal government recreation research totals less than three-tenths of 1 percent of total recreation expenditures. Some aero-space companies, to cite just one example, spend around 50 percent of their income for research.

I'm not suggesting we spend that high a proportion on research, but obviously we should be devoting much more to it than now, if we hope to succeed.

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Each USDA Agency has been directed to submit long-range plans on a research program to support the basic recreation mission of the Department. This program is now underway.

The goals we hope to achieve with our private lands policy are these:

First, we hope to create a geographic pattern of development that puts more recreation facilities where the people are.

Second, we hope to provide a proper "mix" of outdoor recreation, so that families of all economic levels -- rich or poor -- can satisfy their individual needs; one that provides for the varying recreational tastes of this pluralistic nation.

This, also, is important. Peoples' taste in recreation varies as much as their taste in houses, automobiles, or clothes. A proper mix of recreational facilities -- everything from a farm-based vacation . . . swimming in an RC&D Lake . . . skiing in the National Forests . . . to the solitude of Wilderness -- is vital. A broadly based recreation policy is one that has the best chance of success.

Such a policy won't succeed without planning on all levels. The Community Development District bill in the last Congress was an attempt to put wheels under this kind of planning. This act would have provided funds for multi-county planning districts in rural areas, approved by local and state governmental units, and run by local people.

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This year the President has requested an additional \$20 million in 701 funds to accomplish this purpose.

The importance of this kind of planning on a local level cannot be overstated. With it, local government has a blueprint for making recreation a viable, living part of overall development plans. Growth -- industrial, residential, recreational -- can proceed in a logical, comprehensive manner.

Without it, growth is often chaotic and fragmented, with the important often overshadowed by the immediate. Without comprehensive planning, recreation is all too often ignored or overlooked, or occurs only as an afterthought, rather than a prime consideration.

A good blueprint requires a good draftsman. But today, all too many rural areas -- and many urban areas too -- lack the trained, professional recreation planners needed to prepare comprehensive programs of community development. As a result, requests for Federal assistance -- for recreation and other purposes -- are often rejected as unsound or are subject to frustrating and time-consuming delays.

Planning -- and especially planning for recreation -- is something that should not, and cannot, be done out of Washington. It has to be done on a local level, and the action has to come from the local level to the Federal level, rather than the other way around. And so one of the best

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things that your organization -- and others like it -- can do, is to get behind the legislation and local leaders that will make it possible for communities to develop their recreation planning to the same degree as other planning.

If this is done, then the various programs you're examining at this meeting -- from Agriculture, Interior, HUD and others -- have a good chance to succeed. But without this comprehensive planning foundation, without a blueprint, the house of Federal recreation programs all too often collapses . . . the local Greenspan project, or the golf course, or the multi-purpose watershed development, doesn't get off the drawing boards.

As professionals you are all too familiar with the relentless statistics of recreation supply and demand. You are aware that land suitable for outdoor recreation is a fixed resource getting scarcer, and more expensive, with each passing year. You are aware of the almost geometric growth of pollution that is rapidly destroying much of our outdoor recreation potential.

By 1980 the U.S. will produce enough sewage and other waterborne wastes to consume, in dry weather, all the oxygen in all the 22 major river systems of the U.S. Yet our need for fresh, clean water will rise from today's 370 billion gallons a day to the 700 or 800 billion gallon range.

The two problems -- vanishing recreation space -- growing pollution -- are closely intertwined. In solving one, we can be well on the way to solving the other.

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Dr. Glenn Seaborg, Chairman of the Atomic Energy Commission, testifying before the Senate in hearings to establish a Select Committee on Technology and Human Environment, had this to say:

"Technically . . . we know how to keep our rivers clean and our air free of pollutants . . . we are building smokeless nuclear power plants. We can filter raw sewage before it enters our waterways . . . we can develop exhaustless electric automobiles and we can relocate much of our industry.

"For almost every environmental problem that exists today . . . there is a 'technological fix.' What we need to do now is learn, as a society, to take the long view, to think along broad lines emphasizing human goals and values, and to act, rather than react. We have been finding ourselves in a series of technological traps because we have relied on a crisis-to-crisis approach in handling our environmental affairs."

What this means, it seems to me, is that much of our trouble has been that we haven't considered alternatives. The pollution-recreation equation is a good example of this.

The cost of cleaning up the Potomac River will be many millions of dollars. But so will be the cost of acquiring -- by buying urban land for parks -- the recreational areas to serve another one million people who will be moving into the Washington Metropolitan area. All too often both propositions are presented piecemeal, separately, and both fail for lack of public support.

(more)

But what about coupling the two propositions together? Here is a major river system, much of its shoreline publicly owned, which could be ideal for swimming, water-skiing, fishing and boating. But swimming in it now is like taking a dip in your local sewage disposal plant.

At the same time, here in the Washington metropolitan area we have a population of over two-and-a-half million people, starved for recreation, packed into woefully inadequate facilities, with very little hope, as a practical matter, of getting enough space to satisfy future recreational needs.

By considering the real alternatives -- by coupling river-basin cleanup to the recreation locomotive -- it seems to me that both stand a very good chance of success, given enough public education and enough repetition of the real facts.

In the end, such a public policy will mean no less than the creation -- for we don't have it now -- of an environment in which man "does not merely endure . . . but one in which he prevails."

Today, in the city, in the country, almost everywhere he goes, the American is confronted with an environment dominated by his own wastes and his own technology.

This is new: No others before us have experienced it on the scale we experience it today. The end result is not certain. Man, with all his ability to adapt, for all his domination of the "lesser" species, is still

(more)

a child of the sea, the mountains, the open spaces he is so rapidly
obliterating. We know this. Now we must act accordingly. We must use
what we know.

And so I am happy to be here today, and I am happy to be one of
you. You are involved in the most important work that any American can be
involved in. You are saving, and building, an environment fit for man.
I hope that the Department I represent can be of increasing help to you
in this most important task in future years.

Thank you.

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USDA 1384-67

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MAY 13 1967

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Washington, May 3, 1967

Freeman Expresses Concern Over Farm Price Slump:

Secretary of Agriculture Orville L. Freeman today told a group of 250 Midwest farm wives that the condition of American agriculture is "fundamentally good," but he expressed deep concern over the farm price slump of the past 7 months.

The farm wives are in Washington to bring their views before Congress and other government officials. Their fly-in was sponsored by the National Farmers Union.

Freeman congratulated the group for their interest in government farm and food policy and urged farm women throughout the nation to become equally involved in efforts to strengthen the farm economy.

"I know that disappointment over the recent drop in farm prices," he said, "is doubly keen because of the remarkable progress in farm income in 1966. Gross farm income and net per farm income set all-time records last year, and all of us hoped the upward spiral would continue without interruption."

Freeman said he believed that the current price slump was only temporary, and that prices would again climb later this year.

Farm prices on April 15 were 9.6 percent lower than they were in August of 1966 and 7.2 percent lower than they were a year ago.

The Secretary, however, pointed out that price levels of those basic commodities that come under farm programs have remained relatively stable.

Excellent wheat harvests and feed grain crops in a number of other nations have taken the strong edge off the export demand for these basic commodities, he said, but despite this, wheat prices are still 16 cents a bushel higher than a year ago, and corn prices are 5 cents a bushel higher.

"Variables beyond our control," he said, "can be expected to produce temporary price slumps in the basic commodities from time to time. But over the long run, the New Era farm programs of the Food and Agriculture Act of 1965 will prove their price stabilizing effectiveness."

He warned that diminishing rural strength in the Congress posed a constant threat that farm programs could be abolished, and called for unified farmer support of those programs. He reported that a poll of hands taken at a series of recent Midwest farm meetings he had addressed indicated that the overwhelming majority of farmers were opposed to farm program repeal.

The Secretary then turned to the matter of those perishable commodities not covered by farm programs.

Much of the farm price decline in recent months has occurred in these commodities, he said.

"Hog production and marketing are running about 25 percent above a year ago," he said, "and hog prices are down 23 percent. Beef production is up 4 percent and grain-fattened cattle about 8 percent...and cattle prices are down $8\frac{1}{2}$ percent. Lamb and mutton production is up about a fifth, and lamb prices are down 14 percent. Egg production is up 7 percent, and egg prices are off 25 percent. Orange production is up 34 percent, and orange prices are down 60 percent."

The challenge here, he said, is for farmers to adopt "self-help methods to balance supply with demand in these commodities. The government can be of only limited help when there are no programs.

"In this New Era of American agriculture," he said, "marketing has become equally as important as production. Whatever farmers can do in their cooperatives or their organizations to strengthen their position at the marketing bargaining table will serve to strengthen prices."

Commenting on his recent Midwest trip, Secretary noted that "greater bargaining power for farmers" was a frequently heard demand.

"This is nothing new to you," he said. "Farmers Union leaders were saying this 20 years ago. But now I'm sure that this is an idea whose time has come."

Freeman said the Department of Agriculture is strongly supporting legislation now in hearings in the Senate that would assure farmers the right to organize bargaining organizations without fear of discrimination or reprisals by middlemen, and that the Department was also studying new legislation and amendments to existing legislation that would extend to farmers some of the bargaining rights now enjoyed by organized labor and other segments of the economy. He described these measures as a potential "National Agricultural Relations Act."

In conclusion, he said:

"Despite the recent price setbacks, I'm heartened by the overall progress we've made under the New Era farm programs. I believe we can continue that progress if we give those programs a full, fair test ... if farm cooperatives and farm organizations can improve control of supplies ... if we have confidence and determination ... and if -- as the youngsters say -- we all keep our cool."

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Washington, May 3, 1967

Secretary Freeman Directs Expanded Help for Rural Outdoor Recreation:

Secretary of Agriculture Orville L. Freeman today enunciated a U. S. Department of Agriculture policy of providing greater assistance in developing rural outdoor recreation on public lands in the National Forests and on the three-fourths of the nation's land area in private ownership.

Speaking before the Federal Assistance Institute of the National Recreation and Park Association here, the Secretary recalled the Department's outdoor recreation work going back to the beginnings of the National Forests.

Over the years, he said, additional responsibilities were added to the Department for help with outdoor recreation through programs handled by the Soil Conservation Service, the Farmers Home Administration, the Agricultural Stabilization and Conservation Service, and other agencies as well as by the Forest Service.

"And so, bit by bit, over the years," Secretary Freeman said, "we have hammered out viable recreation programs in the USDA. Then the time came to graduate from a piecemeal approach. More than a year ago, we determined to set out an over-all Department policy for recreation, one that would program recreation as a primary Department mission.

"The result is a USDA recreation policy that encompasses both public lands in the National Forests, and the three-quarters of United States land area in private lands."

The goals, he said, are two-fold:

- To help put outdoor recreation where the people are.
- To provide a proper "mix" of outdoor recreation, so that families of all economic levels -- rich or poor -- "can satisfy their individual needs, one that provides for the varying recreational tastes of this pluralistic nation."

Secretary Freeman pointed out that the "population center" of the United States is in Illinois and the "National Forest Center" is in western Wyoming.

"And so," he said, "the public lands are where the people aren't, and this has important ramifications in the Department's recreational policy. For, while we must bend every effort to upgrade the National Forests' recreational potential, we must also make plans to put recreation where the people are."

In this way, he said, the country will have greater success in meeting the "demand explosion for outdoor recreation," estimated at a 500 percent increase in camping by the year 2000 compared with 1960, 476 percent more picnicking, 300 percent more swimming, and more than 200 percent more fishing.

Secretary Freeman cited as highlights of USDA outdoor recreation policy:

- More emphasis will be given to recreation areas on private lands in rural areas, for those landowners who want to build them, and have the capacity to manage them, with a view toward providing the recreational opportunities needed and desired by the American people.
- USDA agencies have been directed to provide the research, technical, educational and financial help needed to strengthen existing programs for private land recreation. A higher priority has been assigned to these programs.
- Special attention will be devoted to income-producing recreation in poorer rural areas as a means of achieving more jobs and new sources of income.
- USDA will seek to establish recreation development in connection with each watershed project carried out with public help.
- Recreation research activities will be greatly expanded to catalogue private lands suitable for recreation, to determine what the recreation-consuming public wants, and to learn the thousand-and-one items that spell success or failure for the individual enterprise."

Secretary Freeman also listed goals for expanding recreation in the National Forests. These include, he said:

- Tripling the capacity of National recreation facilities to help keep pace with the greatly expanded use.
- Expanding the Wilderness Preservation system.. By next fall, he said, the Department will have proposed 12 more wilderness areas totaling more than one million acres. About $9\frac{1}{2}$ million acres already are in National Forest Wilderness.
- Providing major segments of the proposed scenic Rivers, National Trail System, and programs to enhance the cultural and natural beauty of the landscape.

The Secretary turned to area-wide and river-basin wide efforts.

River-basin cleanups, he said, should be hooked to the "recreation locomotive," and cited the Potomac River.

"The cost of cleaning up the Potomac River will be many millions of dollars," the Secretary said. "But so will be the cost of acquiring -- by buying urban land for parks, for instance -- the recreational areas to serve another million people here in the Washington metropolitan area. All too often both propositions are presented piecemeal, separately, and both fail for lack of public support.

"But what," he asked, "about coupling the two propositions together?

"Here is a several hundred-mile-long body of water, much of the access publicly owned, which could be ideal for swimming, water-skiing, and fishing, if it were cleaned up.

"At the same time here in the Washington metropolitan area, we have more than two and a half million people, starved for recreation, overcrowding the present facilities, with very little hope, as a practical matter, of getting more of them in the amount needed to satisfy future needs.

(more)

USDA 1387-67

"By considering the real alternatives -- by hooking river-basin cleanups to the recreation locomotive -- it seems to me that both stand a very good chance of success."

Details of USDA's assistance in recreational development were presented at the Federal Assistance Institute by USDA agency staff members from the Soil Conservation Service, the Farmers Home Administration, the Agricultural Stabilization and Conservation Service, Forest Service, Federal Extension Service, Agricultural Research Service, and the Rural Community Development Service.

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USDA 1387-67

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Washington, May 5, 1967

Freeman Holds News Conference for Consumer Writers, Editors:

Secretary of Agriculture Orville L. Freeman today applied what he called a currently contentious phrase -- "Never had it so good" -- to consumers rather than to farmers.

Freeman made the remark at a news conference in Washington, D.C., for editors and writers serving consumer-oriented publications.

"Some of my political opponents have been saying the Secretary of Agriculture has been telling farmers 'they never had it so good,'" Freeman said. "As is often the case, they're 100 percent wrong. What I have said -- and say here again -- is that it is the middle-income and better-off consumers who have 'never had it so good.'

"But it won't continue 'that good' for consumers if the current decline in farm prices continues."

The Secretary pointed out that farm prices are now 9.6 percent below what they were last August.

"But while this is happening," he said, "consumers continue to enjoy an ever diminishing demand on their disposable dollars for food. Consumers are now spending only about 18 percent of their take-home pay to feed themselves and their families. Ten years ago food took nearly 21 percent of take-home pay, and 20 years ago nearly 25 percent."

Freeman said that if the percentage of take-home pay spent for food were the same as it was in 1947, \$38.6 billion would be added to the nation's food bill -- or about \$780 a year to a family of four.

"I would also like to point out," he said, "that it took 13 hours of consumer's work per week to purchase a family's food needs in 1947. Now it takes only about 8 hours."

Freeman also cited statistics showing how the American consumer's diet has grown "bigger and better."

He said food consumption per capita has increased 2-1/2 percent in the last 10 years, and that a larger percentage of quality foods was being consumed than ever before. The average supermarket today stocks about 8,000 items, he said, and two-thirds of these are new products or products that have changed basically since the 1940's.

"This great abundance of quality food at modest retail prices," he said, "is the direct result of the American farmers' productive genius. Ten years ago, one farm worker supplied the food and fiber needs of 23 people. Today he provides for about 40. In the last 10 years, output per man-hour on the farm has increased more than 57 percent, and total farm output 13 percent."

He said it was important that consumers make the distinction between food prices -- the prices paid by consumers in the store -- and farm prices -- the prices paid farmers for their products on the farm.

"Food prices are about 35 percent higher than they were 20 years ago," he said, "but farm prices are 5 to 7 percent below what they were then. Moreover, 20 years ago the farmer got 50 cents of every dollar the consumer paid for food. Today he gets only about 38 cents of that dollar."

Freeman warned that farm prices that are "ironically and incongruously low in today's otherwise booming economy" could destroy the family farm system that has brought the consumer such modestly-priced, and nutritious food abundance.

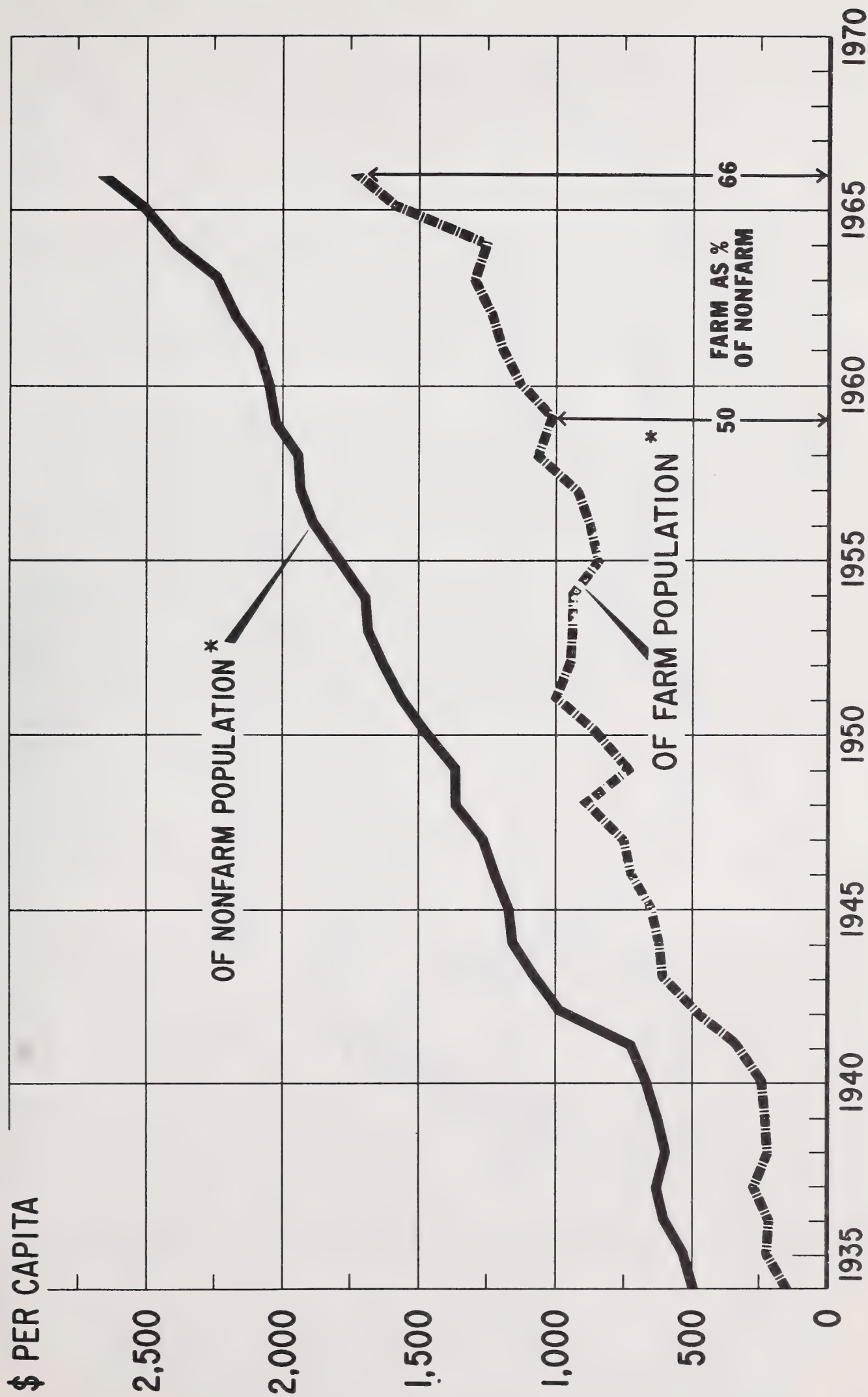
"Consumers must realize," he said, "that if farm prices are not strengthened, the nation's family farm system could be replaced by monolithic corporate farming operations that conceivably could so control food supply as to demand and get any price they want."

"I'm sure," he continued, "that consumers don't want that any more than farmers want it. I'm sure they are willing to pay a little more for food now to avoid paying a lot more in the future. Furthermore, I think the average American is fair-minded enough to know the farmer isn't getting a just return for his products and his labor. Just last month, 72 percent of the people polled in my home state of Minnesota said they didn't think the nation's farmers are getting a fair return, and a majority of them said they'd be willing to pay higher food prices if it meant higher income for the farmers. These people realize that, despite remarkable farm income gains made in 1966, farmers still only earn two-thirds of what non-farmers earn."

Freeman concluded his remarks by saying:

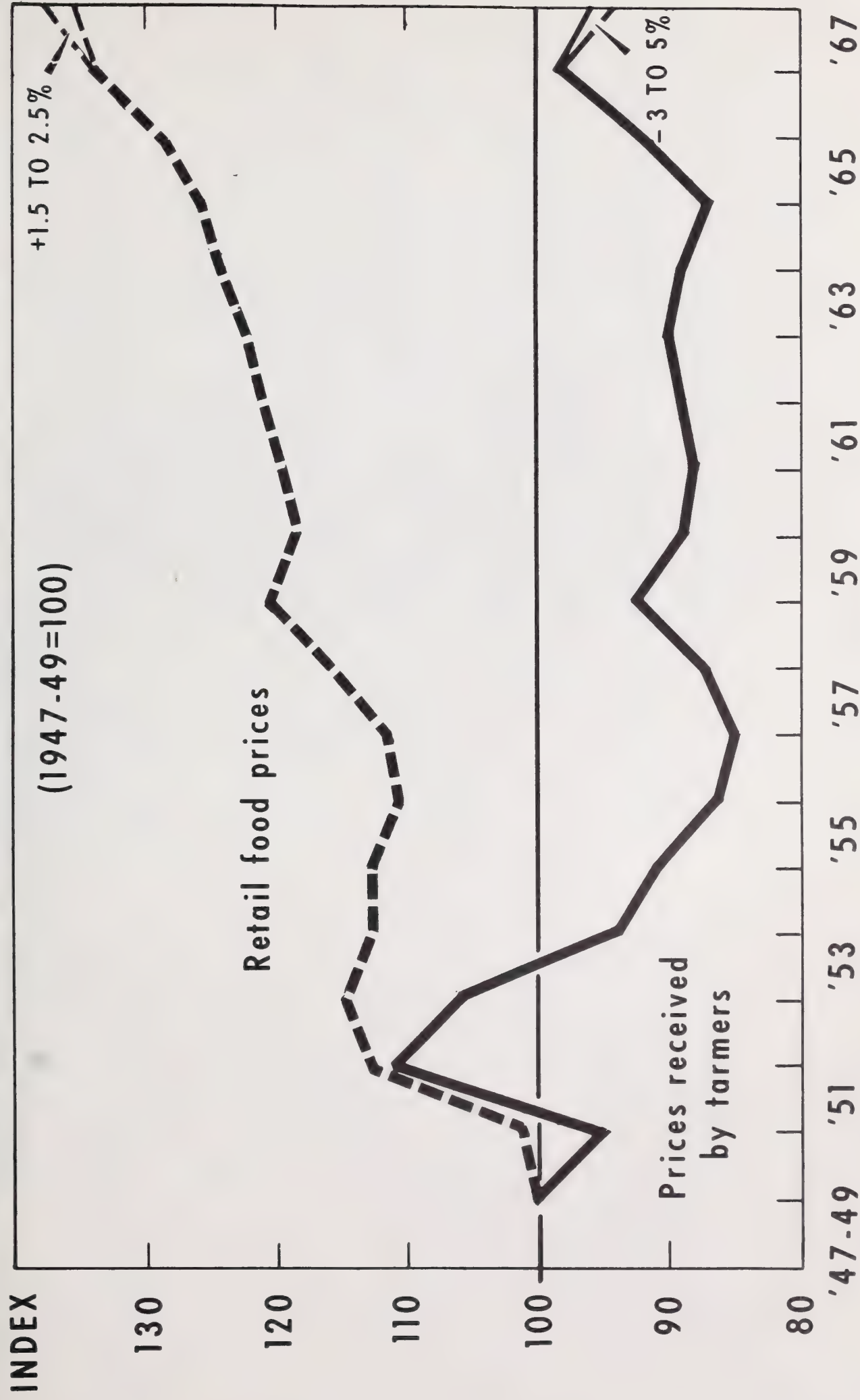
"Of course, we all -- as consumers -- would like to pay less for food. But if we stop to think, we all must realize that modest food costs will not -- can not -- be assured if farmers continue to be underpaid."

DISPOSABLE PERSONAL INCOME



* FROM ALL SOURCES

PRICES RECEIVED BY FARMERS AND RETAIL FOOD PRICES 1947-49 AVERAGE, ANNUAL 1950 TO 1966 AND ESTIMATED 1967



U. S. DEPARTMENT OF AGRICULTURE



Where the Farmer Stands

	1947	1967(Est.)
Farm Price Index	100	92
Realized Net Farm Income	\$17.1 BIL.	\$15 to \$15.5 BIL.
Realized Gross Farm Income	\$34.1 BIL.	\$49.5 BIL.

Where the Consumer Stands

	1947	1967 (Est.)
Consumer Food Price Index	100	143

Consumer Gains:

Percentage of Disposable
Income Spent for Food 25.7 18

Per Capita Consumption
of Meat Products (pounds) 155 169

Wider variety of foods=5,000 new products
and product forms since 1947

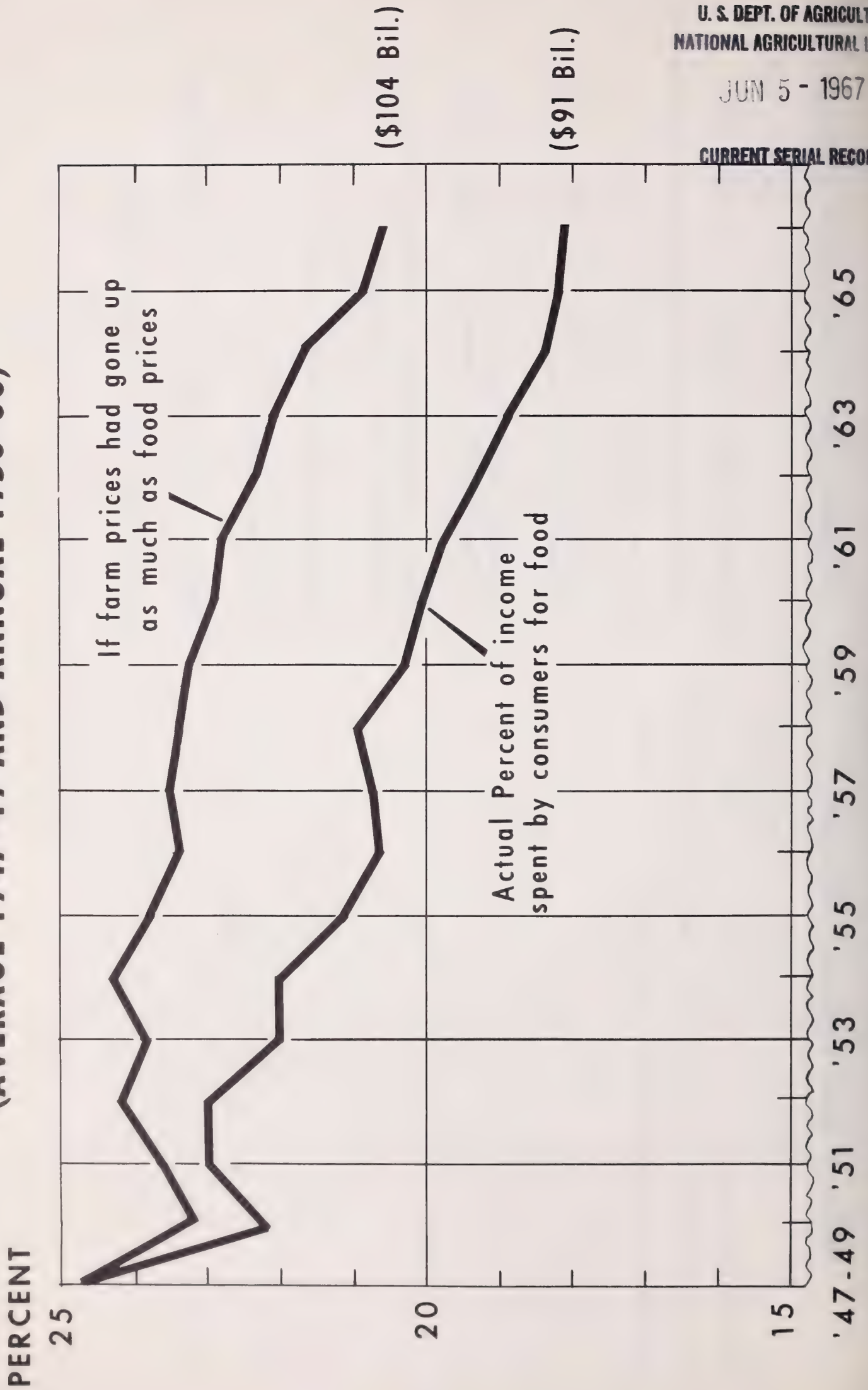
Seasonal foods the year around

One-stop shopping

Meals in minutes--more convenience in foods

Steady improvement in food quality

PERCENT OF CONSUMERS INCOME SPENT FOR FOOD - WITH COMPARISON (AVERAGE 1947-49 AND ANNUAL 1950-66)



U. S. Department of Agriculture
Office of the Secretary

Ladies and gentlemen, I am very glad to be here, to continue a dialogue that now has extended over several years. It's a dialogue that has helped me do a better job as Secretary of Agriculture, and one, I hope, that has been equally as useful to you.

Our dialogue has not been without disagreement, for reasonable men can and do disagree on matters of importance. But I have found, on my part, that when "we reasoned together," as the President is fond of saying -- we could generally probe and solve our outstanding differences.

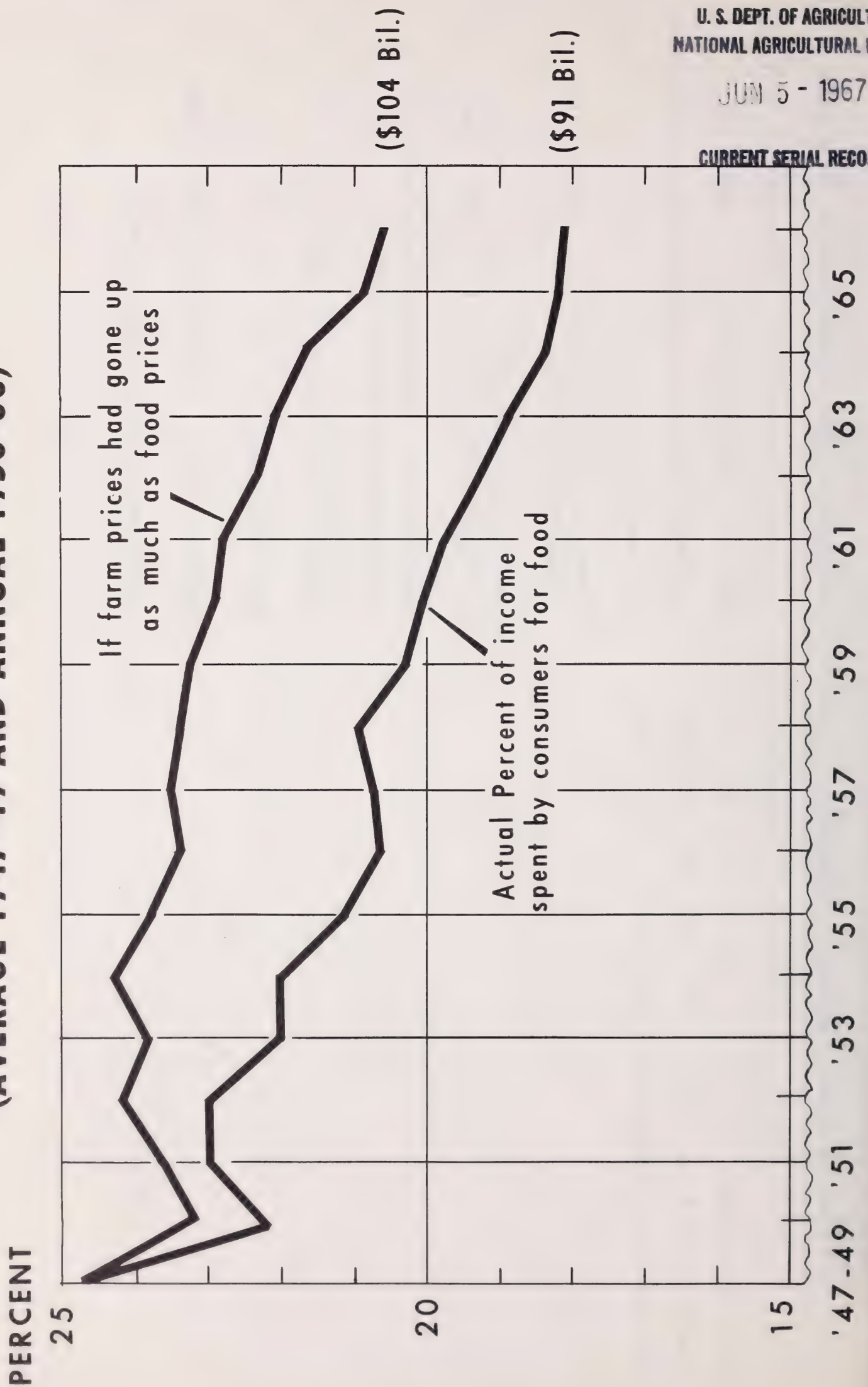
I remember very vividly a February meeting in 1962 when a roomful of intense and concerned Forest Industry representatives laid a "four-point" complaint before me.

And I remember another meeting -- this one in Portland, in September of the same year -- when we got down to cases, established priorities, and set out to resolve our differences and common problems.

We haven't solved all of them, of course. The United States has the oldest government in the world -- we'll celebrate our 191st anniversary this year -- and not all the Nation's problems are solved either. But we have made progress together, and we have established a climate of mutual trust and regard which is extremely beneficial, I believe, to both of us.

Address by Secretary of Agriculture Orville L. Freeman at the Annual Meeting of the National Forest Products Association, May 8, 1967, at the Statler Hilton Hotel, Washington, D. C. 12:00 Noon (EDT).

PERCENT OF CONSUMERS INCOME SPENT FOR FOOD - WITH COMPARISON (AVERAGE 1947-49 AND ANNUAL 1950-66)



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7.2
U. S. Department of Agriculture
Office of the Secretary

Ladies and gentlemen, I am very glad to be here, to continue a dialogue that now has extended over several years. It's a dialogue that has helped me do a better job as Secretary of Agriculture, and one, I hope, that has been equally as useful to you.

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Address by Secretary of Agriculture Orville L. Freeman at the Annual Meeting of the National Forest Products Association, May 8, 1967, at the Statler Hilton Hotel, Washington, D. C. 12:00 Noon (EDT).

Before discussing with you the subject I have been assigned today, let me quickly outline our progress on some of the "nuts-and bolts" issues that I know are of concern to you.

The Timber Contract

We achieved something worth noting when the basic timber sale contract was revised. This is history, and now you're helping hammer out workable provisions for regional supplements to the standard contract. I'm pleased at the progress we're making on this, the most urgent of the four-points.

The Appeal Board

Second, our new Appeal Board has been functioning for just over a year now. It seems to be operating most effectively under the able chairmanship of John Harris, of our General Counsel's office, and with the help of many distinguished citizens, including former Congressmen Walter Granger and Fred Marshall. The board has held seven hearings, all away from Washington, and is learning a great deal about your problems and ours.

Coordination and Uniformity

Another issue that I'm sure concerns you is uniformity in timber sale policies between the various Federal agencies. When two Federal agencies, such as the Forest Service and the Bureau of Land Management, operate in the same geographical area, and manage similar resources, they should follow a common policy. We are trying to bring about as a common policy the best policy and practices for all concerned.

(more)

Within the past two years, Forest Service, the Budget Bureau, and the BLM have been cooperating to identify problems, to propose ways of analyzing differences in timber management methods and to develop -- to the extent feasible -- reasonable uniformity in how the two resource agencies do their work.

We met on April 6 with the Regional Associations represented here today. We discussed appraisal methods, bidding methods, profit studies, a uniform measurement system, and other problems.

One of the "other problems" was the perennial one of how -- and to what extent -- the agencies should use bidding experience to determine when their appraisal systems need adjustment.

Unfortunately, the latter topic has been labeled, in some quarters, "use of transaction evidence."

The label does not reflect the reality. The problem is not that of making adjustments in individual appraisals, but rather of making adjustments in the appraisal system itself.

Nor is it an attempt, on our part, to maximize stumpage prices. Rather, the studies are intended to develop more uniform methods of determining a fair market price under prevailing conditions of sale.

At this stage of the game, no hard and fast conclusions have been reached. I do, however, want to reiterate what Ed Cliff has already said: that we will discuss with you all of the matters that I have mentioned today, just as we have discussed ~~common~~ problems in the past.

(more)

You have asked me to speak today on "Job Stability, Community Prosperity and Our Forests." I am glad you did, for I have devoted a major portion of my time and energy over the past six years in trying to build a viable economy for all of rural America....for the farmer....the rural community....the small town whose payroll comes from milling the products of the National Forests.

As this problem relates to mill towns, it seems to me that we have only three directions to go:

1. Theoretically, we could assign timber allocations to a few communities, and leave others out.

2. Or we could draw a line around some areas and forbid them to bid on National Forest timber because they are not now dependent on this resource, saving the timber for communities that are "dependent."

Both of these proposals, in essence, have been suggested to me.

3. In both cases I have had to reply that our present system, with bidding the deciding factor, is the only course I see to follow. As a public official, I cannot justify either of the allocation choices. Both require arbitrary decisions to exclude somebody.

This doesn't mean, however, that I am not concerned, or that I am not bending every effort to do something about the problem.

When people talk to me about allocations, the talk usually turns to supply -- how can we increase the cut. And this is an area where by working closely together, we have been able to do something.

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Annual Cut

Since 1961, the volume and value of this cut is up by about 50 percent... from 8.4 billion board feet, totaling \$98 million in receipts, to more than 12 million board feet and \$165 million last year.

In the same period, from '61 through last year, the allowable annual cut has been increased by some 16 percent on the 42 National Forests where demand is greatest. For a 10-year period now, many of these far-western forests have been operating at--or very close to--their sustained-yield timber-producing capacity.

This has been possible because of re-determinations of available volume, or by changes in utilization practices, or by other changes in calculations. Even so the increases have not been enough to satisfy demand for roundwood during periods when markets were average or better than average.

And so, naturally enough, we are constantly trying to find ways to further increase the authorized allowable cut. I know that you don't want us to overcut--you've told me so. But I also know that many of you feel our methods of calculating cuts are too conservative.

I'll say just two things about this problem:

First, we have initiated, in the Pacific Northwest, a critical study of rotation lengths and the means to measure all factors affecting them; including different types of thinning, salvage, accelerated reforestation, insects, disease and fire, among others. We'll also analyze the impact of speeded-up road constructions, and the impact on watersheds. We'll attempt to draw cost-benefit ratios and have a report completed by July, 1968.

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I'm sure this study will not end all differences of opinion about how to calculate allowable cuts, but it will serve as a basis for intelligent and searching discussions on the subject. I feel it's a step in the right direction.

I will be as frank with you as I was with the Sierra Club early last month, when I discussed some of your problems with them. This problem of allowable cuts, and many others we face, are basically a matter of seeing the same thing from different vantage points.

In looking at the National Forests, I do my best to put on my hard hat, my logging glasses, and see them as you do--a valuable natural resource, one that provides jobs, lumber for houses, pulpwood and other forest products.

But this isn't the only hat and pair of 'specs I have to wear. I also wear the tourist's soft hat ... and I have to see the forests through his glasses, too -- see them as a valuable watershed ... the biggest recreation plant in the world ... the home of wildlife and game, the site of most of our remaining wilderness.

I'll tell you, as I told the Sierra Club, that I feel the National Forests are big enough, varied enough, to meet the needs of those with both viewpoints -- given enough public understanding and enough wise management. That is what I am attempting to do, that is what Ed Cliff is attempting to do. We are attempting to do it in an era of what can only be described as exploding demand on the fixed acreage in the National Forests. I mentioned the 50 percent increase in board feet cut earlier. It is interesting to note that

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recreation visits have also jumped some 50 percent since 1961 ... three people for every two that visited the National Forests just six years ago.

This demand, involving as it does millions of people, will be met by a democratic society, one way or another. The challenge is to meet it sensibly and efficiently. To do so will take imagination, research, and a large sprinkling of understanding -- empathy, if you will -- by all of the various interests involved.

There are no magic formulas to assure that allowable cut determinations can continue to go up. But we're working on other things that can have the same essential result, more cuttable timber.

The seed orchard program for propagation from superior trees is past the "hoped for" stage and is in operation. Genetics research is beyond the test-tube stage and is producing some disease-resistant strains. Scientists have synthesized the sex attractant of one of the bark beetles and this puts us on the threshold of a breakthrough in insect control.

Other breakthroughs are in sight for increasing tree production through use of fertilizers.

We both know that the greatest single source of more raw material for processing is in the left-overs that cannot now be profitably used.

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We need to aggressively pursue research in full utilization of these now-wasted by-products.

This type of research can't be pursued piecemeal. What is needed is no less than systems research that will unify the now-often fragmented parts of the logging cycle into a coherent whole.

The Need for Rural-Urban Balance

What is facing the mill towns is symptomatic of the larger problem facing all of rural America, and, indeed, urban America. Today, when we stand back and take a broad look at our society, we see a rural America starved for opportunity; and an urban America increasingly starved for open space. We have lost our urban-rural balance.

We all know that the country-to-city population shift has been going on for a long time. But few of us are aware just how far it has progressed. As of today, 70 percent of our population -- roughly 141 million out of 200 million Americans -- live on that 1 percent of the continental land mass classed as "urban." The other 60 million of us live on the other 99 percent of the land classed as "rural."

This rural-urban imbalance is one of our great national problems.

But only very recently is it beginning to get the attention it will take if we are to alter the present dangerous trends.

We in the U.S. Department of Agriculture are trying to do something about it. We ask your help.

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Present Activities

In the coming year, Farmers Home Administration will help finance housing for another 48,000 rural families; provide another \$33 million in Economic Opportunity loans to poor rural families and loan money to another 390 rural co-ops serving poor people.

In addition, Farmers Home will finance another 1,700 rural community water and waste disposal systems to provide the community facility underpinning that most industry demands before locating its plants.

Other Federal departments are concerned also. Some 75 percent of Economic Development Administration funds have gone to expand business activity in designated rural areas. Of the more than 68,000 business loans made by the Small Business Administration, more than half were to firms in rural areas.

These activities, impressive as they are, are only a modest beginning. And so I would leave you with what, in my opinion, are the two most important components in a meaningful program to help rural America.

1. National Policy

The first component is a national policy on rural-urban balance-- a policy that would set a goal of restoring population balance to the nation, so that people could choose freely -- without economic coercion -- where they want to live, work and play, whether in the city or in the country.

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One major part of such a policy would include new programs and policies to generate jobs in our smaller communities.

Over the past 15 years, national economic growth has created more than 13.5 million new jobs in the United States. But, in effect, all of these new jobs have gone to urban areas.

The number of rural jobs remained fairly constant, with losses in agriculture and mining canceling out gains made in business and industry. This was one of the major factors behind the migration that brought depopulation and decline to many smaller communities, and contributed to overcrowding and congestion in our cities.

To stop this outmigration, our economists and population experts estimate we shall need 550,000 new jobs a year in rural America, or in cities within easy commuting distance of rural areas.

Figuring a capital investment of \$10,000 per job, this means a new business investment of \$5.5 billion per year. Most of this money must, of course, come from private industry. Obviously the investor must have sound economic reason for locating in rural areas.

Therefore, as another part of this new national policy, we should give serious study to the possibility of a tax incentive plan to encourage business and industry to locate new plants and facilities in areas of low-population density. This might include an increased tax credit for machinery and equipment investments. It might also include accelerated

tax write-off for businesses locating in small communities with high underemployment or a high percentage of families with low incomes. Not only would this encourage new businesses to locate in rural areas, it would help businessmen already there to expand as new opportunities and new markets opened up.

Another possible part of this national policy might govern the awarding of contracts and building of public facilities to disperse people and opportunity to smaller communities, when feasible and when in the National interest.

Let me cite one example to indicate what is involved here.

Several years ago, the Department of Agriculture made a study which showed that out of \$28 billion in prime military contracts awarded that year, 23 percent went to one State alone. This created well over 1 million jobs in that State, primarily in urban areas.

On the other hand, to create jobs in rural areas under the Area Redevelopment Program we spent \$267 million throughout the entire nation, or less than 1 percent of the money expended on defense contracts in the one State alone.

You can well imagine how this imbalance in Federal investment added to the population pressures in the cities of that one State, and how it hurt business activity and drained people from smaller communities there and in surrounding States.

2. Planning

A second component of a meaningful plan to help rural America is a new policy to expand rural community planning on multi-county lines.

For the past six years the Department of Agriculture has been working with organizations of private citizens to stimulate community development projects in rural areas. We call these local groups Rural Areas Development Committees.

We find that many of the frustrations and pitfalls that these local groups encounter in their development efforts stem from the lack of comprehensive planning which often results in inadequately prepared applications for Federal assistance.

Project applications can be prepared more accurately and presented more effectively when they are (1) internally consistent with one another and, (2) when they are part of a comprehensive development plan for a multi-county area that has pooled its resources in a logical manner.

Secretary Weaver, of Housing and Urban Development, and I have been working to develop a base for continued cooperation between our Departments to meet the needs of non-metropolitan areas for just this sort of comprehensive planning. We have discussed ways whereby a group of counties -- say, perhaps, five or six -- might join together for planning purposes.

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In this group of counties, there might be one or two small or medium-size cities, of 30, 40, or 50 thousand population. The small city would be the center to which people today -- as a practical matter -- are actually driving to get to jobs, for shopping, for medical care, and other purposes. By joining together with the surrounding counties, and by pooling their resource base, such a city might develop into one of the modern communities of tomorrow -- the kind of community that is needed to revitalize the countryside and halt the excessive parade of people to metropolitan centers.

As a result of these and other talks, and recognizing the need for multi-county planning in rural areas, President Johnson in March recommended that Congress amend the Housing Act of 1954 to provide such assistance.

The President would empower the Department of Housing and Urban Development to make grants to States to finance up to two-thirds of the cost of technical assistance to, and comprehensive planning by, official multi-county planning agencies in non-metropolitan areas.

The President also recommended that the Department of Agriculture provide technical assistance to these planning bodies.

He urged that \$20 million be appropriated for this purpose. With a comprehensive plan drafted by professional planners, the towns and small cities in the multi-county area would be able to use their resources more efficiently, and to discover exactly what kind of Federal or State assistance is needed.

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These two items; a national policy on rural urban balance; the legislation and appropriations to allow local people to make comprehensive plans for their own local futures, can go far toward curing the ills affecting rural America today.

Many of you have your roots deep in rural America. All of you are leaders, organizers and managers. I hope that you will roll up your sleeves and join in this fight; that you will help to build the adequate-sized, economically viable rural communities that can offer Americans the kind of life that constitutes the Great Society, the kind that we all want to have, and to live.

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Cooperatives and Rural-Urban Balance

Rural-urban balance is a new target, a new national goal. Few of America's 200 million people have heard of it. But I predict that many, many more will hear of it, come to understand what it means, and get involved in accomplishing it in the years just ahead.

This -- in the context of cooperatives and the influential part they can play in realizing this goal -- is what I want to talk with you about tonight. I bring it to your attention for the simple reason that I believe you can do something about it.

You represent the largest and most powerful regional farm supply cooperatives in this country, perhaps in the world. And because you possess this power, you are in a position to help develop a new and desperately needed national policy -- a policy of rural-urban balance -- a policy that will be necessary, it seems to me, if this nation is to fulfill the American dream of opportunity for each man to develop his talents to the fullest possible degree, to achieve personal excellence.

Often we sing of "spacious skies, and amber waves of grain, and purple mountain majesties, above the fruited plain." These are glories in the present -- rural glories. When we sing of the cities, it is in the future tense. We sing of the patriot who, looking beyond the years, sees "alabaster cities, undimmed by human tears."

Remarks by Secretary of Agriculture Orville L. Freeman to Farmer Cooperative Service Symposium on Non-farmer Business: Problems for Farmer Cooperatives, University of Maryland, College Park, 6:30 p.m. (EDT), May 8, 1967.

Yet the fact is that -- though we sing praises of the open skies, the soaring mountains, and the glories of the countryside -- people move to the cities. And I must add that, in the 55 years since Katherine Lee Bates' "America, the Beautiful," was set to music, those cities have grown neither more alabaster nor less dimmed by human tears. These hopes are still in the future.

Seventy percent of our people now live in cities that cover only 1 percent of our land. In 1960, urban areas averaged 3,113 persons per square mile. And rural areas averaged only 15.

By the year 2000 our population will pass 300 million. This is staggering, but it needn't be frightening. For our land area and resources can easily accommodate many more people than that -- provided we have a rational land-and-people balance and don't continue crowding more and more people on less and less space.

Without such balance, however, prospects for the year 2000 are grim. For if present trends continue unchecked, four of every five Americans will then be living in metropolitan areas, and most of them will be crammed into five -- just five -- super strip-cities.

If we permit this to happen, 80 percent of our people will rise earlier to drive farther to work. They will spend more time breathing auto exhaust. They will return home later at night. Superhighways and mass transit systems will eat up increasing amounts of urban land in a frantic race to keep the city mobile. Three times as many autos as we have today will crowd our streets and highways, contributing three times as much air pollution. And other pollutants produced by industry,

sewage plants, and land development will be much greater, more localized, more concentrated.

For some time now, another three million Americans have poured into our cities each year. And with each wave, a million more acres of fields, woods and hills near urban centers are buried under highways, shopping centers, airports, and housing developments. The city becomes progressively less able to maintain its streets, dispose of its refuse, provide pure water, and offer minimum public services -- schools, hospitals, fire, and police protection.

Last February scientists and scholars gathered at the Smithsonian to exchange ideas over the chaotic condition of man's environment. Speaker after speaker pointed to the folly of overburdening one percent of the land with people and problems...while wasting the beauty and the resources of the other 99 percent.

Most appeared in agreement that this need not be ... that man has it within his means to ease the hostility between himself and his environment. Technological advance, some said, should -- and can -- work to maintain a land-and-people balance. For progress in communications, transmission of electric power, and transportation has destroyed the old argument that industry and commerce can only locate in the larger cities.

None of these scholars suggested doing away with cities. Instead, they recommended rebuilding existing cities and building new cities where open space, natural beauty, and recreational opportunity are available.

One of the scholars, Robert Adams, recalled that cities are the prime creative centers of learning, the arts, and philosophical ferment. "It would be tragic," he said, "as we contemplate massive urban problems, to lose sight of cities as the locus of cumulative achievement. We must impose no artificial separation between industry and agriculture, between the cities and their supporting hinterlands, and between policies of economic development and policies aimed at extending social integration."

Another scholar, Dr. Paul Goodman, articulated the most challenging idea of the conference. Revive the countryside, he said, by using it to solve urban problems.

Let's look at that countryside. What has happened to it? Not until 1920 did urban population catch up with rural population in this country. Not until World War II did the exodus from the countryside assume dramatic proportions. In the 10 years from 1940 to 1950, 11 million Americans moved off the farms. Since 1950, rural population has remained at about 54 million people, while the number of farmers -- as part of that rural population -- continues to shrink. Now only one rural dweller in four lives on a farm.

For many years, the movement from the land to the cities was voluntary. It was also healthy, for the growth of great urban centers was a key factor in the phenomenal economic development of this nation.

Then we began losing our balance. The technological revolution in agriculture, mining, and timbering in the past 25 years sharply reduced

the number of people needed in those industries, and migration from the countryside to the city accelerated.

There, ever-swelling numbers threaten to smother the cities' valiant efforts to fight themselves free of the mushrooming problems of too many people for too little space. And the people-exodus leaves in its wake a decimated rural America...a countryside drained of cultural and economic opportunity.

Much is right with rural America. It has fresh air, clean water, space, peace, and beauty in abundance -- things the people of urban America need very badly indeed.

But much is wrong with rural America, too. Half the nation's poor live there -- including more than half the people receiving old age assistance. Since 1950 this nation added nearly 14 million new jobs, yet the rural job force has remained constant. Underemployment in rural America now equals 2-1/2 million man-years of unemployment.

Rural communities are short of hospitals, clinics, doctors, dentists, classrooms, meeting halls, libraries, theatres, swimming pools, golf courses, and many other things that make life better. Rural communities will need two million more homes by 1972. Millions more must be repaired and improved in the next few years. At least 30,000 communities need improved water systems. Twice as many need better sewer systems.

Small wonder that three million persons flee rural America for the cities every year. Some are gifted. They leave the countryside to seek new challenges for their spirit and their abilities -- desperately

needed in the countryside. Many more are not gifted. They are unwanted and untrained, shunted aside by the technological revolution on the farms and in the mines. Most are unable to meet job demands in strange places. Others are victims of discrimination. They move to the city because they have no choice. They trade a countryside barren of opportunity for a ghetto barren of hope.

In a very real sense, poverty in the cities is transplanted from rural America. The urban slums are filled with displaced rural migrants who sought in vain to earn a living in the countryside and who finally fled in desperation to the city.

Urban poverty cannot be overcome until outmigration from the country is slowed -- and, in time perhaps, stopped. But this can only be done by expanding opportunity in the countryside.

Rural America has much to offer the entrepreneur -- electric power, excellent communications, splendid highways for transport. It has idle manpower. It has clean air, space to grow, modest land costs, and a frank need for more jobs.

If rural America can successfully package and sell these advantages, outmigration from the countryside can be stopped. With new jobs and new hope, people will stay, not flee. The brain drain and the erosion of leadership from rural America will end. It will be possible for persons who want to live in rural America to stay there and for others to move back there.

But if this is to come about, we must have a widely accepted national policy for a better rural-urban balance. I am happy to report tonight that we are moving in that direction.

The President is determined to win the war on poverty and to build the Great Society. The Great Society, he has repeatedly made clear, includes rural as well as urban America.

The President has publicly recognized that poverty cannot be overcome in the cities until it is overcome in the countryside. He has recognized that the hostility between man and his environment must be eased, that involuntary migration to the cities must be stopped and that economic opportunity must be spread equitably across the land.

Again and again, he has pointed out that creative federalism implies a responsible, working relationship between all levels of government and the private sector.

The problems we confront today are neither urban problems nor rural problems. They are national problems demanding national attention and nationwide attack. Unless we attack urban congestion and rural underdevelopment simultaneously, as a problem of the nation's overall growth, it will be difficult -- if not impossible -- to make real progress in either area.

I come tonight, then, asking you to do three things.

First, I ask you to use your cooperatives to assure the continued success of family farming. We simply cannot hope to build new opportunities in rural America if we fail to maintain and enhance the opportunity for family farming. We won't be able to create new opportunities, if we are so foolish as to let the opportunities we already have slip from our grasp.

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I want no one to misunderstand me when I speak of family farming. I'm not talking about subsistence farming. I'm not talking about retirement farming. I am talking about farm

- where the family provides most of the labor around the place;
- where the family makes the major management decisions;
- where the family gets most of its income from producing commodities for commercial markets;
- where modern scientific and technological practices are efficiently applied;
- where the family, in doing so, earns an income that is adequate -- by city standards -- to compensate for its labor, management, and investment.

This is the kind of farming -- family farming -- whose continued success I ask you co-op leaders to assure.

This kind of farming is threatened today by its inability, standing alone, to influence the price of farm commodities. Without muscle in the marketplace, the farmer is shouldered aside by those who have muscle and demand and get a greater and greater share. With some exceptions, the farmer gets what's left over.

In a number of commodities, farmers have already shown they can get their fair share through cooperatives. Through cooperatives, family farmers can get some marketplace muscle, some control over the price of the commodities they sell. I ask you to move forward, boldly

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and resolutely, shaping your present cooperatives and organizing new ones to fill the gaps so that the small and medium-sized commercial farmer can achieve the bargaining power he so desperately needs.

The family farmer also often lacks the capital necessary for low-cost production and high per-man-hour output. Here again, cooperatives can provide the answer. By making available an increasing variety of on-the-farm services -- spraying, bulk delivery of feed, fertilizer spreading -- cooperatives can, we believe, dampen the skyrocketing rate of increase in per-farm investment.

The family farmer also faces the threat of becoming locked in by the high degree of specialization that's required to achieve efficient, large-scale production. He needs a dependable market for his product that will pay him a fair return, year after year. The ideal market, of course, is a fully-integrated processing organization, stretching from his farm to the supermarket, which he owns and controls cooperatively with his fellow producer.

The family farmer faces another threat, too -- the steadily rising costs of manufactured farm inputs. Thanks to the competition cooperatives have provided in fertilizer, petroleum products, tires, and electricity, the prices farmers pay for these manufactured farm inputs have, over the years, risen only moderately. Where cooperatives are less strong -- as in building materials, machinery, and equipment -- the prices that farmers pay have risen steeply. The challenge, it seems to me, is for cooperatives to expand their price influence over all the inputs that farmers must buy.

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The first thing I ask, therefore, is that you use your cooperatives to meet these threats to the continued success of family farming. The opportunity for successful family farming in rural America must grow if we are ever to succeed in shaping a better rural-urban balance.

My second request is that, as you expand, you open up jobs in rural America. To a very great extent you're doing this already, and I commend you for it. Over the years, you have shown a strong predeliction to locate major, new facilities in such communities as Garden City, Kansas; Crystal Springs, Mississippi; Fremont, Nebraska; Denison, Iowa; and Demmitt, Texas.

You realize -- perhaps better than other businessmen -- that your strength comes from rural America and that, wherever you possibly can, your new investments should strengthen rural America. You have a keen appreciation of the labor that's available there, the electric power, the transportation, and the communication facilities. Whenever the over-all economic considerations indicate a toss-up choice between locating a new plant in some city or locating it in a rural community, you have generally chosen the rural community.

As you move forward, as you expand the number and size of your manufacturing and processing facilities, I hope you will consider -- in addition to the economic costs -- the social costs involved in choosing the locations of these facilities. As I indicated earlier, we do not now have accurate estimates of the costs of piling more and more people in our metropolitan areas. Yet, undeniably, these costs are great and it

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is certainly a part of corporate statesmanship -- cooperative and otherwise -- that they be recognized in making your location decisions.

My third request bears directly, I believe, on your far-ranging, complex, and off-the-record discussions at this 2-day symposium. I ask you to use all the imagination you possess to widen the benefits of your cooperatives beyond your present members, all the while, of course, protecting the interests of those members.

I realize this is a large order. I realize the sweat and toil and sacrifice and enterprise and ingenuity that cooperative leaders have brought to the monumental task of building secure, solvent, forward-looking farmer-owned and controlled businesses based largely on the needs of commercial farmers. These great accomplishments must not be jeopardized.

Yet I urge you to consider, to search for opportunities for your cooperatives to serve and to benefit other rural Americans, without in any respect endangering the interests of your present members. As you develop new opportunities and expand your horizons you will have an important impact on establishing the rural-urban balance so critical to the well-being of America.

I've been impressed with the findings of a recent Department study* of two farm supply cooperatives in Appalachia that today serve not only commercial farmers but also low-income rural residents.

* Two Supply Cooperatives Serving Low-Income Farmers, a Preliminary Analysis in Appalachia. Farmer Cooperative Service. General Report No. 138.

In the process of meeting low-income families' needs for chemicals, hardware, gasoline, auto equipment, roofing, home and power equipment, paint, household supplies, clothing, garden seeds, and other items, these cooperatives experienced no disproportionate bookkeeping costs, or credit problems, or decline in overall gross margins.

The low-income families in question reap the same cooperative benefits -- quality products, low prices, sizable refunds -- as commercial farmers who trade there enjoy. As a matter of fact, only by including these low-income families have these co-ops been able to offer commercial farmers expanding benefits.

I realize the difficulties you face in doing this -- not only economic difficulties, but the laws, the corporate charters you operate under, the tax problems, the complexities of member and public relations, the lending authority of the banks for cooperatives -- the whole bundle of matters you've come here to discuss. You cannot overcome these difficulties simply by my urging you to overcome them.

But I am convinced that you possess in abundance the American ingenuity to remove some of these obstacles and to find your way under, around, and over others. I am certain that you can extend the economic and social benefits of your cooperatives to many rural Americans who now lie outside your membership and outside your fields of service -- rural Americans who need your help.

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In this search to find new ways to serve more rural Americans, I assure you of the fullest possible cooperation of the Secretary of Agriculture. For I am convinced that your ability to do so will be one measure of our ability as a nation to open up opportunities in the countryside and thus to bring about the stable and secure rural-urban balance so essential if we are to realize the dream of a truly Great Society.

So this is what I ask

- that you expand and develop your cooperatives to assure the continuing success of family farming.
- that in choosing locations for new facilities you consider the social costs of further urban concentration and locate whenever you possibly can in the countryside, and
- that you search diligently to find new ways, organizational as well as economic, to bring the benefits of your cooperatives to more rural Americans.

In return, I pledge you every assistance by a great organization - the U. S. Department of Agriculture - in these tasks.

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What The Government Asks From Private Enterprise
In Meeting World Food Needs

Being the leadoff speaker at this first International Agribusiness Conference is at the same time pleasing, exciting and challenging. Agribusiness is a booming growth industry today. Expanding acreage and production at home, and rapidly growing food needs abroad, are generating unprecedented increases in the market for fertilizer, pesticides, seed and farm equipment.

Despite this recent rapid growth in international agribusiness we must do better. American agribusiness involvement in the developing countries must expand much more rapidly if future food needs are to be met. We come here to seriously and carefully consider what it will take to achieve this.

Why Our Concern

Our concern is not only the threat of massive famine at some future date, if the growing imbalance between food and people is not corrected. We are equally concerned about some of the more immediate implications of growing food shortages among the less fortunate peoples of the world.

Remarks of Secretary of Agriculture Orville L. Freeman at the first International Agribusiness Conference, sponsored by the Chicago Board of Trade, Sheraton-Chicago Hotel, Chicago, Ill., May 10, 1967, 12:00 Noon.

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We have long known that severe protein deficiencies in early childhood reduced the lifelong potential for physical development. Recent evidence indicates that they also permanently retard mental development. Food shortages of today are depreciating the human resources of the developing countries for at least a generation to come.

This is only one of many ways in which the economic growth of literally dozens of low-income countries is being curtailed because agriculture is not performing adequately. Years of neglect of agricultural development are beginning to take their toll.

Shortages of food are causing a serious drain on foreign exchange reserves in many less-developed countries. India's combined imports of grain, now totaling some 10 million tons yearly, and fertilizer, now exceeding one million nutrient tons per year are equal to nearly two-thirds of her total export earnings.

Even if the United States and other wheat surplus countries could fill this growing food gap, India, and many other less-developed countries, would not have the foreign exchange to buy the food and other agricultural inputs they will need. Their own production must be increased. Otherwise, their desperate efforts to raise their standard of living are doomed to failure.

U. S. Cannot Feed the World

Thirty years ago the world outside North America was essentially self-sufficient in food production.

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North America exported only 5 million tons of grain yearly. In 1960 grain exports reached 30 million tons; by 1966 they had increased to 60 million tons. There is every reason to expect this upward trend to continue.

The gap between the need of the less developed countries and what they can buy will continue. It is particularly apparent at present even with a record world wheat crop, because the unmet needs in many countries are greater than ever before. Negotiations now underway in Geneva are designed to obtain broader participation in food aid programs by other advanced countries.

During 1966 the United States shipped one-fifth of its wheat crop to India. It is being asked to do the same in 1967. This does not improve diets, or even maintain consumption levels, but simply avoids famine. U. S. grain shipments are now feeding 60 million Indians.

Rapid growth in the demand for food outside North America is both reducing reserves and stimulating production in the United States. Six years ago we had some 50 million tons of excess grain stocks - surpluses. These surpluses were above and beyond our usual reserve requirements. As of 1967 these surpluses have disappeared. Only working reserves are left.

The reserve of idled cropland totaling some 50 million acres as recently as 1966 is also beginning to diminish. Increases in the acreage of wheat (22 percent), feed grains (3 percent), and soybeans (9 percent) will bring nearly one-half of this remaining reserve back into production this year.

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Clearly it will soon be beyond the capacity of the more developed countries to fill the growing food gap. The less developed countries must supply more of their own needs.

There Are No Panaceas

The popular press frequently reports on various non-conventional foodstuffs, often representing them as a solution to the food problem. The most frequently cited are harvesting algae or plankton from the sea, irrigating with desalted sea water and producing synthetic foods from petroleum. But the truth is there are no panaceas. No easy solutions. As the plight of the hungry nations becomes more desperate, this grasping for straws will likely become more pronounced.

Experimentation with such non-conventional approaches to alleviating hunger is important and should continue. However, non-conventional foodstuffs, like the more conventional ones, must meet three basic criteria to be useful: their production must be technically possible, economically feasible, and they must be palatable. Someone must be willing to eat them. While many technical problems have been solved, costs still are far too high. For the next 15 years, and perhaps much longer, the world will continue to look to conventional agriculture for most of its food supply.

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Another popular panacea is birth control. But population statistics belie this optimism. Family planning programs now being initiated in the developing countries will not have a major impact on population growth rates for several years at best. Regardless of how successful they are, the world must plan to feed another one billion people over the next 15 years.

Yield Revolution Needed

For the next 15 years, then, most increases in food production must come from conventional agriculture in the less developed countries. How can these be achieved?

Throughout most of recorded history man was able to increase his food supply by expanding the area of land under cultivation. He matched his increase in numbers with increases in the area under the plow. As long as he had this option, maintaining an adequate food supply was relatively simple.

In traditional agriculture, additional food needs were met by pushing the frontier back a bit further. Land and labor, the key inputs, were readily available. Seed and draft animals, the principal capital inputs, were self-generated on the farm. Next year's seed was saved from this year's crop. Technology did not change.

But on a finite earth the area of new land is steadily diminishing. The area of land under cultivation in North America and Western Europe, ceasing to expand several decades ago, has actually declined over the past 30 years. Both of these regions developed an impressive yield-raising capability on the existing land area, doubling production within the past generation. Massive inputs of capital and technology compensated for the lack of new land.

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Until quite recently, most of the less developed world was still expanding the area under cultivation to feed its rapidly growing population. In recent years, however, country after country has furrowed the last of the "new" land readily and economically cultivable. Nearly all of Asia, the Middle East and North Africa share this land hunger. Only Sub-Saharan Africa and the Amazon region of Latin America can expect to expand significantly the area under cultivation. Future increases in food needs must be met by raising the productivity of land already under cultivation.

Massive Inputs of Capital and Technology Needed

As a country runs out of new land to plow, it must begin using large amounts of purchased inputs if it is to continue expanding food production. Fertilizer, pesticides, implements, improved crop varieties and a wide array of other inputs are needed. Required services such as research, credit and transport and marketing facilities are as important as the physical inputs themselves.

The magnitude of capital investment required to dramatically increase per acre yields is not widely appreciated. U.S. farmers purchased \$12.5 billion worth of inputs from the nonfarm sector in 1965. The complete list of purchased inputs is pages long. For each acre of the 300 million acres they cultivate, American farmers spend \$42 a year on production supplies from the nonfarm sector.

An agriculture of predominately small holdings is not per se precluded from sharply expanding its use of capital inputs or modern technology. Japan and Taiwan, with farms averaging only about three acres, have two of the world's most technologically advanced farm economies.

Japanese farmers, with a high-rainfall rice culture and intensive

cultivation, spend even more per acre than their American counterparts. Their per-acre expenditures for agricultural chemicals alone -- fertilizer, insecticides, fungicides and herbicides -- now exceed per-acre expenditures for all production supplies in the United States. In addition, Japanese farmers spend each year five dollars an acre for farm implements and power equipment -- almost exactly the same as in the United States. Whereas one U.S. farmer buys one large tractor for, say, 150 acres, several Japanese farmers buy several small garden-type tillers for the same area.

U.S. farmers last year spent \$600 million for improved seed.

India, with a slightly larger area under crops, represents a potential market of comparable size. The entire less developed world, with a cultivated area roughly five times that of the United States, represents a fantastically large market for seed alone. By 1980 most of this vast area of cropland must be planted to improved varieties if projected populations are to be adequately fed. Few traditional varieties of food grains are genetically capable of the rise in yields required over the next 15 years.

Demand for food in the less developed countries, reflecting both population growth and modestly growing incomes, is rising nearly 4 percent each year. Over the next 15 years the demand for food will increase by 80 percent. Grain consumption, now totaling just over 500 million tons, must climb to 900 million tons.

To attain this production level, annual fertilizer consumption in the less developed world must increase by an estimated 40 million tons -- from 7 million tons (in terms of nutrients) at present to 47 million tons in 1980. At, say, \$150 per ton of nutrients, this

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prospective market could well expand from the present one billion dollars a year to at least \$7 billion 15 years hence. The rate of use, averaging about one-fourth the Japanese rate, would still be far from optimal.

In the past a lack of effective demand for foodstuffs within the developing countries seriously restricted investment opportunities. This is no longer true. Scarcities of major food commodities are generating higher food prices in country after country. The price of rice, the food staple of most of the low income peoples, has risen sharply in recent months.

Any country with a ton of rice to export today can exchange it in the world grain market for two tons of wheat. Unabated population growth among the rice consuming nations, coupled with limited possibilities for expanding the world's rice producing area, promises a strong demand for rice for years and possibly decades to come.

The prospect of such a market ought to stimulate wide awake, enterprising American firms. The less developed countries' growing import gap - the difference between what they need to import and what they can afford to import - makes it imperative for American firms to consider substantial investments within these countries. The growing demand for food presents unprecedented opportunities for agribusiness expansion. Agribusiness firms in the developing countries today are charter participants in a dynamic growth industry of the coming decades.

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The Role of Agribusiness in Agricultural Development

The respective role of the public and private sectors in agriculture in many hungry countries is unclear. One of the factors contributing to the enviable successes of American agriculture has been the dominant role of the private entrepreneur and private industry in agriculture. In contrast with many less successful countries, the U. S. Government has never engaged in agricultural production or in producing and distributing any of the multitude of inputs that modern agriculture requires. These tasks are left entirely to private industry.

Agribusiness firms have spearheaded the effort to apply science to agriculture on a massive scale. Private firms now finance and conduct more than half of the agricultural research in the United States. They are also assuming more and more responsibility for extending new knowledge to the farmer, a function once entirely dependent on the Extension Service. The salesman or "field man" and the extension worker have become co-workers and partners in education.

American agribusiness has the expertise - agricultural technology, management and marketing know-how - needed to improve agricultural yields in the developing countries. Capital, too, will be required - and in ever larger quantities. The reduced flow of public capital from several major aid-giving countries requires a sharp increase in the flow of private agricultural investment.

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Also of prime importance is management. Money without modern management may have little value in many developing countries. The lack of management -- the ability to efficiently organize resources to achieve a given end -- imposes a serious constraint on rates of development.

Foreign private investment from the developed countries can also bring the industrial technology needed to efficiently produce the sorely need agricultural inputs. Gaining access to the accumulated backlog of modern agribusiness technology by attracting investment from abroad presents an effective shortcut to accelerate agricultural development in the food-poor countries.

But the capital, technology and management needed to produce essential agricultural inputs are not enough. These inputs must be efficiently distributed. In many countries the lack of efficient distribution systems is as much of a bottleneck as the lack of necessary inputs.

Low-volume, high-markup distribution systems common to traditional societies do not serve the needs of modern agriculture. Fertilizer, seeds or pesticides distributed by such a system are costly -- often so costly as to make their use unprofitable. Foreign private investment, accompanied by both management and marketing know-how, is far more valuable than capital alone.

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Improving Investment Climates

Many countries, desperately in need of more food production, are becoming aware of the constructive role private investors can play in overcoming their problems. Profit is becoming a respectable word abroad, even in some of the more socialist countries including, interestingly, the Soviet Union. Countries are observing that usually private companies do better than public ones. Once it is understood that private enterprise can "cut the mustard," food deficit countries move rapidly to improve their relationships with private investors. Outsiders can only supplement a developing country's own determination to obtain necessary development resources by creating a favorable investment climate.

Highly successful developing countries - including Mexico, Israel, Costa Rica, Taiwan, Thailand, South Korea and the Ivory Coast - have certain elements in common. These are favorable investment climates, large commitments of foreign private resources, and uncommonly high economic growth rates. A favorable investment climate attracts the private technical, managerial and financial assistance needed to supplement scarce internal resources.

An environment favorable to foreign investment can be created in the face of discouraging circumstances. Ten short years ago South Korea was hopelessly dependent on U. S. aid. Annual imports totaled \$442 million against exports of only \$22 million. A sizable share of Korea's food needs was satisfied by concessional food imports.

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But things have changed. Over the past five years the Korean economy has expanded at a phenomenal 8 percent yearly and food production has expanded 7.4 percent yearly -- a performance comparing favorably with that of Japan. Three modern fertilizer facilities to be completed this year will produce over 350,000 tons of urea and complex fertilizers. In five years South Korea may no longer need foreign aid.

South Korea illustrates how countries can attract needed resources by providing investment incentives. Incentives provided by some countries are very tangible, such as tax holidays or customs exemptions for raw materials and capital goods. Others are less tangible, such as the formation of an investment authority to eliminate red tape and centralize negotiations with foreign firms.

A recent worldwide survey of foreign economic development indicates a rash of new incentives for private investors. Thailand, can now grant, for investments in priority industries, a five-year income tax holiday, exemption from import duties on production equipment and raw materials, and tariff protection from imported competitive products. Indonesia has recently passed a law which grants five-year tax holidays and guarantees repatriation of profits and compensation in case of expropriation.

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Pakistan offers special tax concessions to concessions to export industries as well as other tax exemptions and property guarantees. The Central American States grant a wide range of concessions. Bolivia combines tax benefits with protection against import competition. In a special effort to develop its Amazon Region, Brazil offers special concessions, including land on very easy terms.

Prejudices against foreign capital will not disappear merely because foreign capital has become indispensable and favorable investment laws have been passed. Good investment climates are complex. They cannot be created by fiat. But progress is being made. Economic development is too important to be deterred by ideological prejudices.

As this trend continues, the alert American agribusiness company will have the opportunity to earn excellent returns on investment and, at the same time, contribute to meeting world food needs -- what President Johnson described in his State of the Union Message as "next to the pursuit of peace, the really great challenge to the human family."

The Communications Gap

American agribusiness has never been reluctant to accept the challenge of promising, new business situations. The food-deficit countries are coming to welcome private investment from abroad. Now these principles and resources must be translated into performance. What then is preventing a large-scale transfer of American capital and management and technology from taking place?

I would blame a serious communications gap. Doing business in a less-developed country is far different than doing business at home. It is

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not enough to have a suitable product, service, or process. The American businessman must understand local political, economic and social conditions. Only then can an American firm communicate effectively with its customers, employees, partners and the host government. Companies understanding this have generally done well investing abroad.

Communications is, of course, a two-way street. To say that the investment climate is improving does not mean that prejudices in many less developed countries in favor of public institutions will disappear overnight. In the minds of many in the developing countries private industry has been associated with colonialism and outside domination, but this is changing rapidly.

A freer exchange of information between U.S. agribusiness firms is also needed. Competition is a stimulant to any business, but so, in many circumstances, is cooperation. We need more inter-firm communications and less corporate secrecy.

A major goal, then, should be for private businesses to institutionalize good communications with the less developed countries and with other companies. Several have suggested some version of an investment promotion center or forum where agribusiness project promoters could meet with potential investors to discuss investment possibilities and proposals. A recommendation of this kind was put forward at an agribusiness conference in New York just a few weeks ago. Hopefully, it will fall on fertile soil

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What Our Government Is Doing

Communication between U.S. Government and U.S. business is vital, too. There is encouraging evidence of growing business understanding of the U. S. Government's program to speed the development of the poorer nations. Government and business must develop a common language. Many government specialists on the economic development of less developed countries have had little exposure to business methods. They need to learn how to organize, analyze, and present the facts in the fashion necessary to business decision making.

The tangible incentives the U.S. Government gives to American companies in developing countries are considerable. Agency for International Development offers grants for investment surveys, provides political and extended risk guarantees and both dollar and local currency loans. Many of you are aware of the financial and technical information available from AID, the Department of Commerce's Office of International Investment, the Department of Agriculture's various specialized agencies, including the International Agricultural Development Service.

AID is streamlining and extending its relationship with private firms. Herb Salzman's Office of Private Resources in AID is the focal point for assisting agribusiness firms investing in the hungry countries. Several new programs, such as equity insurance, are being developed to supplement ongoing programs, which have proved attractive to U.S. firms.

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Less well known are several new efforts being made by AID and other agencies. As part of the new emphasis on self-help, recipients of food aid are asked to take steps which measurably improve their investment climates. The Government of India is liberalizing its policy toward private sector fertilizer plants as part of its food aid agreements.

Much more could be said about ways in which your Government is stimulating agribusiness investments in the less developed countries. Time does not permit detailing these. I urge interested investors to come to see us personally. I am sure AID and the Department of Commerce join my Department in extending this invitation.

Can We Meet The Challenge?

American private enterprise possesses an impressive array of resources. Its involvement in agricultural development abroad has only scratched the surface. Only as it becomes much more involved will we begin to assure an adequate food supply for the undernourished two thirds of the world.

What then will it take to achieve this? What is the formula for a manyfold increase in agribusiness investment in the developing countries? Business must tell government what needs to be done. We want to hear from you about what you think government should do.

Permit me to ask a specific question: What kind of additional incentives will it take to get the transfer of resources -- capital, management, marketing skills and technical knowhow -- needed to eradicate hunger and malnutrition? If this Conference answers that question it will have been a monumental success.

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Meeting future world food needs is not a job either government or business can do alone. Each with its special skills and resources is urgently needed. As a Nation we must cease asking how much it will cost to solve the food/population problem and begin asking how much it will cost if we fail to solve the problem -- in the allotted time.

Time is the critical dimension. Today's hungry countries must compress the progress of centuries into decades and decades into years if they are to feed their rapidly multiplying populations.

As a Nation, industry and government together, we must exercise the same effective teamwork which has brought us to our current position of world agricultural leadership. We must devise more effective ways of sharing our food producing knowhow with the less advanced countries. At stake is both the accelerated growth of the agribusiness industry and the future of the world's hungry majority. The challenge has never been greater. Or the stakes higher.

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TESTIMONY OF SECRETARY OF AGRICULTURE ORVILLE L. FREEMAN
BEFORE THE U. S. TARIFF COMMISSION, MONDAY, MAY 15, 1967
10:00 a.m.

Mr. Chairman, members of the Commission:

I am here today to ask that you consider with all dispatch the issues relating to dairy imports which President Johnson asked to be investigated, and to urge that you recommend to him those measures which will close loopholes to transparent evasions of our dairy import quotas. Many of these evasions are a bald subterfuge which combine a sharp wit with a sharp knife.

These evasions harm the American dairy farmers and interfere with the dairy price support program which the Congress enacted to encourage a stable and healthy domestic dairy industry. In the first four months of 1967, the Department has purchased the equivalent of 3.6 billion pounds of milk at a cost of \$169 million. Unless the evasions are stopped, we estimate the Department will buy 6 billion pounds at a cost of more than \$300 million this year.

Prompt remedial action is critically needed. I believe that Section 22 of the Agricultural Adjustment Act, as amended, provides the best means to obtain that remedy. It is a flexible instrument created to achieve equity and fairness in international trade. With it we can prevent excesses and the hardships which follow, and we can relax or eliminate restraints when sensible and in the interest of all parties concerned.

Thus, Section 22 can be the safety valve which makes possible effective and responsible growth in international trade. American agriculture and the American farmer benefit from foreign trade and, in recognition of this fact, the United States follows a trade policy in agriculture that is liberal in comparison to the rest of the world. We are the world's leading agricultural exporter, and the leading importer as well.

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The American farmer is in the export business to the tune of some \$7 billion a year. Exports account for the jobs of one out of every eight farm workers, and take the output of one of every four harvested acres. They create thousands of off-farm jobs.

We recognize that trade is a two-way street, that we must buy if we expect to sell. In total, in the overall, expanding trade helps everyone.

We do not ask action to restrict imports lightly.

However, there can be specific situations which get out of balance and cause hardships in particular segments of our economy. These conditions provide little or no benefit to the general public and the overall economy. My testimony today will focus on three specific types of dairy products which are causing real hardship to dairy farmers, for they are custom tailored with the avowed purpose of evading our present Section 22 quotas. The three evasions are:

- a. minor technical distinctions and new names to products which are virtually identical with the original article;
- b. refinements of packaging and slicing which result technically in a different tariff classification;
- c. "combinations of ingredients" -- by combining controlled items into a form which gives them a new identity for tariff classification purposes.

The products to which I refer are those specified in your April 10 announcement of this hearing. They have been entering the U. S. in excessive quantities. They have been attracted here by prices that are favorable compared to other major markets; and the particular form in which they appear (for they have all been processed one way or another)

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is a direct response to the existing import controls in effect by virtue of Presidential Proclamations made at the recommendations of this Commission.

These imports have reached a point where they are materially interfering with our price support program; and this interference will get worse and even more costly to the American public unless prompt and effective action is taken to bring them under control.

Since October 1966, through April 1967, the Commodity Credit Corporation has purchased, for delivery through June, on a contract basis 148 million pounds of butter; 61 million pounds of cheese; and 410 million pounds of nonfat dry milk. The cost of these purchases to CCC is \$213 million.

With total dairy product imports for 1967/68 projected at around 4 billion pounds milk equivalent, CCC purchases will not only continue but will rise substantially unless some action to restrict imports is taken.

Before I discuss these three types of quota evasions in more detail, let me briefly review with you the dairy situation and our price support programs.

The Congress has directed me, under the Agriculture Act of 1949, to maintain the price of milk and butterfat at a level between 75 and 90 percent of parity which will assure an adequate supply of milk. Adequate supply is the guiding factor by law in determining the support level. We maintain the support level by purchasing all of the dairy products offered at the support price and diverting them to schools, needy families and other uses which do not compete with normal commercial markets.

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The purchase prices currently in effect under this program reflect a general level of prices to producers of \$4.00 a hundredweight for milk and 68 cents per pound for butterfat. This is approximately 87 percent of the parity equivalent for manufacturing milk, and 81 percent of parity for butterfat.

It is a perennially difficult problem to judge that level of supports which will produce a supply of milk in balance with consumer demand yet return a decent price to producers. If we are to maintain an adequate domestic supply, it is axiomatic that the producer must receive a fair reward.

No problem I have had as Secretary has been more difficult and more unyielding than that of achieving a stable and healthy dairy economy. Then a year ago, that situation began to change. Milk production dropped to a level close to consumer demand, a condition which had not existed in this country for almost 15 years. Dairy surpluses no longer existed, and the dairy producer began to receive better prices for his milk. Within the authority available to me I took a number of actions which strengthened dairy prices -- the most important being to raise the support price for milk to the current level of \$4.00 a hundredweight.

For the first time since I became Secretary I felt the income prospects looked favorable for the most depressed segment of American agriculture. No American should be complacent when the dairy farmer in this country receives an average wage for his labor that is less than the minimum wage set by the Congress. In Wisconsin, for example, many dairy farmers in 1965 averaged less than 50 cents an hour for his labor.

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We could not continue to assure the American people of an adequate domestic supply of milk and dairy products if those conditions were to persist. I am not conjecturing here, nor speculating about what might be. In 1965 and 1966, the decline in the number of dairy farms increased sharply and the number of dairy cows sent to slaughter nearly doubled from the rate we had been experiencing in recent years.

The action to increase price supports, combined with the favorable price response to an improved supply-demand balance, gave hope that dairy farm income would increase and the decline in milk production would be reversed.

But, then another development took place. The U.S. began to attract an unprecedented volume of dairy product imports canceling out the improved supply-demand situation. This deluge comes in as a result of prices which are higher here than abroad, and which attract the heavy milk surpluses in Western Europe and Oceania. And these imports come not as products designed for consumer markets, but as products designed with the custom official in mind to evade the Section 22 quotas.

This combination of price-pull here and surplus-push overseas has again placed us in position where we are acquiring substantial dairy surpluses at substantial cost to the American public. The United States is today the only relatively open dairy market in the world, and the flagrant evasions of Section 22 quotas have created an intolerable situation. It is a situation which will only get worse if we fail to close the loopholes in our present quota system.

Let me describe briefly how this could be done.

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First, in the case of those products which evade the quotas because of minor technical distinctions and new names, the definition of the product category should be broadened to include all products which are made by similar methods and have similar characteristics.

I am referring here specifically to Colby cheese and to Edam and Gouda cheese.

Colby is an American-type cheese. Neither it nor other American-type cheeses -- such washed curd cheeses as Monterey and Jack -- are significantly different from Cheddar cheese which accounts for the bulk of cheese production in the U.S. Food and Drug Administration regulations permit all of these American type cheeses to be processed separately or together to make a product labeled Processed American Cheese.

Colby was first imported in 1958 when New Zealand shipped a small quantity here and obtained a customs ruling that it would not be classed as Cheddar. Today, Colby is shipped to the U.S. by 13 countries and the volume in 1966 reached 47 million pounds. Through the first 4 months of this year Colby imports have reached 33.4 million pounds, and we expect imports could reach 120 million pounds this year.

These imports are interfering with our price support program, and should be restricted; they can be, and future evasions of the quota system halted as well, by including all American-type cheeses in a single category.

The Section 22 quota on Edam and Gouda cheese presents a similar problem caused by the very sharp increase last year in the entry of processed Edam and Gouda. These processed Dutch cheeses have been

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imported in very small amounts for several years, but last year accounted for about a fourth of the 10.9 million pounds of Edam and Gouda cheese imports.

Since the processed variety has not been a quota item, I recommend that they be included in the Edam and Gouda quota.

The second general set of products which now evade Section 22 quotas are those which have gained a separate tariff classification simply by changes in packaging and slicing.

Specifically, I am referring to the quotas which apply to Italian-type cow's milk cheeses, but only "in original loaves." This has invited evasions of the quota first by cutting the original loaf in half, and then in smaller pieces. And now we have begun to receive Italian-type cheese in grated form which the trade informs us is going to former users of whole loaf cheese.

I have no quarrel with the form in which the Italian-type cheeses are imported, but I recommend that all of it -- either in original loaves or in any other condition -- be included under the current quota of 11,500,100 pounds.

The third group of evaders includes those combinations of ingredient products which are transparent efforts to steal into this country, for there is no market for them other than the United States.

The product is commonly described as butterfat-sugar mixtures -- Junex, Isex, Lorex and so on -- which are one of the category of products containing up to 45 percent butterfat. These products now escape the

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Section 22 quota which applies only to butterfat products containing 45 percent or more butterfat.

Last year the Junex-type products accounted for an estimated 10 percent of domestic ice cream production. This volume materially interferes with the program to support milk prices.

The entire history of butterfat-sugar mixtures represents nothing more than a flagrant effort to evade the butter quota. The Commission in the past attempted to halt them by embargoing mixtures containing 45 percent butterfat.

These products continue to arrive in ever increasing volume. In 1966, imports of Junex-type products were the equivalent of 58 million pounds of butter. In the first four months this year, Junex-type product imports are estimated at 50 million pounds. Without restrictions, the total for 1967 could exceed 160 million pounds -- or about 2 billion pounds of milk equivalent.

Junex-type products are not normal trade items, and should no longer be allowed to enter this country. I am recommending a zero quota for such articles containing more than 5.5 percent butterfat, but less than 45 percent butterfat. Whatever butterfat is allowed entry should arrive as butter or other recognized products under an established quota.

In addition to the Junex-type product, we are also getting increasing amounts of frozen fluid cream which now escapes Section 22 quotas. Long distance shipment of frozen fluid cream represents a technical innovation only recently perfected. Milk and fluid cream now

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can be frozen, transported very long distances and arrive in a fresh condition. Frozen cream imports are used primarily to make ice cream -- they cannot be used for fluid purposes. They come only from New Zealand, the only country with a permit from the Food and Drug Administration for such a product under the Federal Import Milk Act. A quota should be established on this product, which last year accounted for 3.5 percent of our ice cream, but it need not be subject to import licensing. Entry could be permitted on a "first come, first serve" basis.

Let me summarize my recommendations on these quota evasions so there is no misunderstanding. The products I have described should not be allowed to be imported except as part of an existing quota, and, further, that the product descriptions proposed by the President be adopted to remove the possibility of future evasions. This will mean that with the favorable action I am urging, the entry of butterfat mixtures such as Junex will halt when the President's Proclamation is issued. The cheese products I have described could be entered only as a part of the quota.

I believe that the overall volume of dairy product imports should be drawn down to a level which will approximate the level of imports in 1965. It is my judgment that anything above this general level will materially interfere with the price support program.

The situation as we have seen it develop shows no sign of abatement, and it must be corrected.

If favorable action is taken to halt the evasions which now threaten our price support program, the rate of dairy product imports

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will be less than one-fourth of their present level.

Prompt action by the Commission will have several benefits.

The effectiveness of our quota system will be improved, and confidence in it will be strengthened;

Cost of the price support program to the public will be reduced, and the program once again will be able to operate more effectively;

Thus, the dairy farmer can take his milk to market without fear that unfair imports will harm the price he receives, and the threat to the public of an inadequate supply of domestically produced milk and dairy products will recede.

I urge your prompt attention to the President's proposals, and your favorable action.

Thank you for your consideration. I shall be happy to respond to any questions you may have. I have with me a number of experts from the Department who also will be available to you for any information you seek.

The following is a list of the
contents of the book.

1. The first part of the book is devoted to a general survey of the subject.

2. The second part of the book is devoted to a detailed study of the subject.

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A noted lawyer and diplomat once said, "The world is divided into people who do things and those who get the credit. Try if you can to belong to the first class. There's far less competition."

At our Honor Awards ceremonies we seek to correct this basic inequity. We select those who have done things and we give them the credit, too.

Of course, we have not quite reached the ideal. We are not able to honor all those who deserve it. Indeed, you recipients of the awards would be the first to acknowledge that without your colleagues, your accomplishments would have been impossible.

So, in saluting you, the chosen few of 1967, we also salute the so-called "rank and file" of the USDA, among whom are thousands of dedicated, superior, and distinguished public servants.

We in USDA have pride in each other. We have pride also in our programs.

In this sense USDA employees are twice blessed.

Actually, we are thrice blessed. Because added to our advantages of people and programs is the blessing of the age in which we live and work. We are on the scene at a unique juncture in American and world history. Opportunity has never knocked so insistently at humanity's door as it does today. This is the

Remarks by Secretary of Agriculture Orville L. Freeman at Honor Awards Ceremony, Washington, D.C., May 16, 1967, 9:00 a.m.

"tide in the affairs of men,
Which, taken at the flood, leads on to fortune."

This "opportunity for greatness" is what I would like to review today with you, my colleagues and associates of the USDA.

Recently we have been giving much thought and emphasis to a clear expression of our over-all Department goals now and in the years ahead. Today we express these goals in terms of a common theme -- Agriculture/2000.

Agriculture/2000 looks to the future in six specific areas. They are:

Income and Abundance -- this concerns parity income for farmers and a rising level of nutrition for consumers.

Communities of Tomorrow -- this concerns the revitalization of rural America.

Resources in Action -- the wise care and use of water, land, and timber.

Growing Nations -- New Markets -- this concerns trade and aid -- especially victory over world hunger.

Knowledge for Living -- or translating knowledge into programs to improve the quality of American life.

Science in the Service of Man -- the miracles we can expect from agricultural research.

Earlier this year, I gave six addresses in which I attempted to spell out our Department goals in each of these six important areas of challenge and opportunity.

Edited to eliminate duplication and extraneous material patterned only to the live speaking situation, these messages have been collected for publication with an introduction by President Johnson in the little pamphlets you found at your places here today.

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I hope you will read -- and study -- this pamphlet. To each of the major targets it sets out, we will direct the total, unified, and coordinated efforts of the entire USDA in the years ahead. The USDA is no longer a sort of loose federation of agencies. Today we are a single Department with mutual motivation and a set of common goals.

In each of the six areas to which we direct attention and set our goals, significant progress already has been made.

In the past six years farm net income has risen 40 percent -- a gain in actual dollars of \$4.6 billion. Net income per farm has increased by 70 percent -- a gain of nearly \$2,100 per farm.

Farm people are still lagging in terms of income -- their per capita earnings are only two-thirds as much as for non-farm people -- but we are moving in the right direction.

We have cleaned out the food surpluses of grains, milk, and vegetable oil which for the better part of 40 years had depressed farm prices and income. We have greatly reduced the tobacco surplus, and a new acreage-poundage program is working well. The cotton carryover is being cut back about 30 percent this year.

Even though the surpluses are gone, or going, abundance is more than ever a fact of American life. The average consumer not only eats better -- he gets his diet for a smaller proportion of his spendable income than ever before.

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In addition, our food distribution programs are helping at least 45 million American children and low income citizens -- 12 million more than in 1960 -- to better diets, better nutrition, and better health.

Farm exports are in the healthiest condition ever. Last year our farm exports totaled \$6.9 billion -- 44 percent more than in 1960. And the growth has been almost entirely in sales for dollars.

We are effectively using American food and agricultural know-how to save lives in India -- where we will feed an estimated 60 million hungry -- and to relieve hunger in other countries.

We have embarked on a concerted effort to make rural America a better place to live. As a result, millions of people throughout rural America are enjoying better housing, pure water, improved schools, medical services, better community facilities, and an increasing number and variety of job opportunities.

We have made progress in the conservation and improvement of our natural resources. Aided by our conservation agencies, individuals and communities are fostering the use of land and water for multiple purposes. They are not only solving conservation problems -- they are also providing improved water supply and recreation facilities which stimulate economic activity in thousands of communities.

Finally, the impact of agricultural science -- agricultural research -- is increasingly felt not only in the domestic and international economy, but

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far beyond. Agricultural research is crucial in man's efforts to create a balanced and diverse environment -- in improving human health -- and in examining the life process itself.

This brief review tells a story of spectacular progress in recent years. But what has been achieved thus far is small compared with the promise and opportunity that lie ahead.

Let's dream a bit.

What will the world of tomorrow -- the world of the Year 2000 -- be like? No one really knows, of course. But let me tell you quickly what, on the basis of expert opinion inside and outside of government, we envision as among the possibilities for the Twenty-first Century.

First, let's look at our farms.

Computer-controlled machines will plant the crops, fertilize by prescription, determine when produce is ready for market, harvest on order, and grade and package the commodities for delivery by supersonic cargo planes to fully automated warehouses.

Most of today's crops will still be grown -- but each cornstalk will produce multiple ears, and cotton plants will grow with all of the bolls clustered on the top branches for easy harvesting. Crops will need only a fraction of the water required by present varieties; they will be far less susceptible to drought. Plants will grow and mature much faster than now. They will have been redesigned with sturdy stems and with all leaves exposed to the sun for maximum use of light.

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Weeds will have become laboratory curiosities. Harmless chemicals will keep weed seeds from germinating.

Livestock in the Year 2000 will be raised in environmentally controlled shelters. Cattle, hogs, and sheep will grow to market size on a third less feed and in a third less time than now. Hens, kept on an 18-hour cycle, will lay not 240 but 350 to 400 eggs a year.

Americans of the Year 2000 never will see -- much less swat -- a housefly or a mosquito. Combinations of biological and specific chemical methods will have eradicated the dozen insects that cause half our agricultural losses today, and will control the 100 or so other crop-damaging bugs.

The long-time migration from countryside to city will long since have come to an end. Instead of 70 percent of the American people living on 1 percent of the land, as at present, our 300 million people will be dispersed across the nation. Many of them will live in new towns and cities of planned, manageable, healthy, and esthetically-satisfying proportions. Economic opportunity will abound in rural America.

Our woodlands will be more beautiful and more productive. New methods of timber harvesting will save billions of cubic feet of timber once wasted in harvesting.

Water will be conserved and reused. Whole hillsides of unproductive land will have been treated to shed rainfall and deliver it to reservoirs serving small towns and recreation areas. The surfaces of reservoirs and lakes

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will also have been treated to eliminate loss of water by evaporation. Irrigation will be completely automated and controlled by computers.

In the world at large, agricultural space satellites will detect differences in soil, identify the various crops and kinds of forest trees, determine damage by diseases, insects, and drought, assess crop stands, and predict production.

The hungry nations of the present will have learned to feed themselves and to stabilize their populations. The soils of the world will have been inventoried. Crops will be grown either on the soils best suited for them, or on soils chemically modified for maximum productivity.

With up-to-date agricultural know-how put to work all over the earth, man at long last will have won the seemingly endless war against hunger.

Does this view of what life may be like in the Twenty-first Century seem too fanciful? Then consider this.

A generation ago, who would have imagined that in 1967 USDA scientists would be pitting a virus against an insect, or controlling the propagation of insects through radiation, chemical attractants, and lights that lure them to destruction?

Who would have believed that in 1967 the shape, the taste, and the nutritive quality of the foods of tomorrow would be evolving rapidly through experimentation in genetics, or as a result of improved cultural practices?

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If the construction of a greenhouse on the moon or the design of an earth satellite to scan and report the earth's crops and their condition are among problems currently being faced by this Department, what will tomorrow hold?

Someone once said, facetiously I'm sure -- "What this country needs is lawn grass that will grow an inch and a half and then quit." Well, we're working on it.

We are living in the most exciting and challenging period in history. The sum total of scientific and technological knowledge and information doubles in little more than a decade. We see more change in a year than our forefathers saw in a century. It is no exaggeration to say that it is within our power to change the face of the world more in the next 33 years than it has been changed in the past 3,000.

This is the challenge. And it is a particular challenge for the USDA -- because the realization of the vision of the Year 2000 depends heavily on agriculture's ability to carry out its role.

Can we succeed? I believe we can -- and will.

I know of no public agency anywhere which, over the years, has contributed more to the basic welfare of this great nation than the U. S. Department of Agriculture.

And I know of no agency anywhere which, over the years, can contribute more to mankind in the future.

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This is one reason why I find this annual event, in which we pay honor to some of our colleagues for distinguished and superior dedication and service, an occasion of great value.

In this age of exploding knowledge, collapsing time, and fantastic change, the human element has become more vital than ever before.

Often, when people refer to the human element, they mean human fallibility, human capacity for error. But I mean something quite different. By the human element, I mean those qualities which make man the noblest creature of earth -- his freedom, his dignity, his power to think and reason, his imagination -- his capacity to love and serve and give of himself -- those qualities which make it possible to say of him that he is made in the image of God.

It is the human element which we focus upon and honor here today. It is the human element which will create the finer world of tomorrow.

To achieve the dream of Agriculture/2000 we will need the most dedicated, innovative, far-visioned -- the most human -- men and women we can find. We will need them in all fields of agriculture -- in production, in science, in teaching, in journalism, in cooperatives, in agri-business, and in government.

And we will get them -- in part because of you. Like attracts like. We will get them -- because of your example, your dedication, your inspiration.

And so we salute you -- the honor award winners of 1967 -- not solely for what you have done up to today -- but also for what your example and deeds will do tomorrow to bring to reality the great vision of Agriculture/2000.



U.S. Department of Agriculture
Office of the Secretary

I have known newspapermen, man and boy, governor and Secretary, in office and out, for nigh on 40 years now. But many of you may not know me.

I am sure, however, that all of you have seen and admired Grant Wood's classic painting, "American Gothic." It portrays a stern Iowa farm couple, framed by an upright pitchfork.

Allow me to introduce myself. I am Orville Freeman, the man usually on the end of that pitchfork.

But discussing fine art is not the only reason I'm here. I have others. Two months have gone by now, and not one of you has asked the question, "Mr. Secretary, is it true that you plan to resign soon?" Two months and not a word. Do you know something I don't?

Remarks by Secretary of Agriculture Orville L. Freeman before the National Press Club, Washington, D.C., May 16, 1967, 1:00 p.m., EDT.

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The subject of my talk today is "farmer bargaining power." It is a subject much in the news and close to my heart. There is a rare degree of unanimity among farm organizations in getting it, albeit by diverse means.

The Farmers Union has initiated a "stop-buying" movement to increase the bargaining power of farmers when they purchase production inputs. The National Farmers Organization recently sponsored a withholding action to increase the pricing power of farmers selling milk.

The other three major farm organizations are in on the act, too. In addition to the NFO and the NFU, the Grange, Midcontinent Farmers Association, and the American Farm Bureau favor S. 109 -- the Agricultural Producers Marketing Act -- which would enhance farmer bargaining power by removing some of the discriminatory practices farmers now face in the marketplace.

This "rapprochement" among farm organizations is a heartening sign. Senator Aiken, sponsor of S. 109, told me last week that to the best of his knowledge, it was the first time since 1947 that all of the farm organizations had testified in support of the same bill.

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There is a new desire for more muscle in the market among farmers themselves -- a feeling I ran into on a trip to Kansas, Iowa, and Indiana three weeks ago, and one that gives me hope that some of the things I will discuss today have support in the country, and hence, in the future, some hope of passage in the Congress.

This incipient unity is new. It is unchanneled, unorganized and unfocused, yet it is there. Some years ago President Kennedy called for "a world safe for diversity." Diversity has always been safe in rural America, with five major farm organizations, scores of commodity organizations, often going their separate ways, except on rare occasions. But now I have a feeling that farmers themselves may be ahead of some of their leaders in their desire to make common cause with their fellow farmers.

There couldn't be a better time than now, for the farmer is hurting. Overall farm prices on April 15 were down 7.2 percent from a year ago and down 9.6 percent from last August.

Most of the trouble is in the perishables rather than in the basic commodities covered by New Era farm programs. As

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of last month wheat, a support crop, was still 16 cents a bushel higher than a year ago; corn was 7 cents higher. Both are substantially higher than in 1960. Supply and demand are in relative balance.

But hog marketings, as of this month, are 10 percent higher than a year ago, and prices are down 8 to 10 percent. Beef production is up 4 percent -- grain-fattened cattle production up about 8 percent -- and cattle prices are down $8\frac{1}{2}$ percent. And so on:

-- Egg production: up 6 percent; prices off 17 percent.

-- The orange crop is up 34 percent, prices are down 60 percent, compared to a year ago.

Purchase programs can deal with part of the temporary over-supply problem. This year for instance, we're buying some 200 million pounds of beef and pork at a cost of \$110 million, and some 15 million gallons of orange juice at a cost of \$30 million. Totally, we'll obligate an estimated \$170 million in Section 32 funds, and we're gearing up to do a better job of coming into the market at the right time with these, and with Food for Freedom purchases.

But the School Lunch, aid to the needy, and concessional shipments can't absorb all possible over-production in the perishables.

Nor is there much chance, in my opinion, of the Congress legislating broad new programs for the non-basic commodities -- even if farmers and their organizations were in agreement on what they wanted, which they aren't. We need Section 32 and Food for Freedom, and we most certainly need our farm programs for the grains, cotton, and other basic commodities. And we need something more.

Farmers over the years have made great efforts to gain muscle in the marketplace themselves. The Farmers Union was involved in marketing actions in the South early in its history. More recently, the NFO has withheld meat and dairy products. Producers of specialty crops -- such as almonds and lemons -- have been successful in setting their own prices through producer cooperatives. The whole broad farmer-cooperative movement has held down the price of what farmers buy and, to an extent, controlled the price of some of the commodities they sell.

Parallels with Labor

The labor movement today has many of the benefits that farmers seek: control over the price of their product, labor; the right to bargain collectively without fear of reprisal from employers; the right to choose their bargaining agents, with the will of the majority binding all members of the bargaining unit; and the right to withhold their product -- labor -- from the market. Some interesting parallels, historical and organizational, can be drawn between farmers and labor:

1. Some specialty-crop producers, usually limited geographically and in size, roughly correspond to the small craft unions

in the days prior to passage of the Wagner Act. With a closely-knit membership, selling crops grown in a particular area, usually limited by climate, these specialty farm cooperatives have succeeded in gaining for their members many of the benefits that the craft unions had for their members even in the 1920's and 1930's.

2. Growers of common, nation-wide products, including livestock, who are relatively unlimited by geography or by climate, roughly correspond to industrial workers in the early thirties. Diversity of interest, the failure to achieve total industry-wide membership in a union, the then-prevalent industry practice of "shipping in" strike-breakers, all hamstrung the organization of industrial unions in the pre-Wagner Act days. The same basic factors hamstring efforts of many farmers today.

The industrial unions overcame these problems largely through legislation. In 1932 they struck down the yellow dog contract and succeeded in limiting the use of the injunction with passage of the Norris-LaGuardia Act. Now, in 1967, S. 109 would similarly protect farmers from discrimination by processors and others.

In 1935 the National Labor Relations Act gave labor the right to bargain collectively through representatives of their own choosing. It set up the secret ballot in union elections, with supervision by the NLRB, and required employers to bargain in good faith with the union.

In all of this, and in subsequent legislation, there was provision to make the will of the majority effective. Thus, if a majority selected a certain bargaining agent, whether AFL-CIO, UMW, or an independent union, then all members were bound to accept

the wages secured by that agent. If a majority, in secret ballot, decreed a strike to enforce its demands, then all members of the union struck. All contributed their dues to run the machinery of the union and to build the funds needed to survive a strike.

The situation among producers of nationally-grown, undifferentiated commodities is very different. As of now, no apparatus exists so that the will of a majority of all growers of a given commodity can prevail. In the event of a "strike by a portion of the growers of any one commodity, identical produce can quickly be shipped in -- from very far away, if necessary -- to break the strike or withholding. And so, for all practical purposes the farmer -- with some special exceptions -- is in much the same spot that industrial workers were in during the pre-Wagner Act era. A proper climate for his organizing efforts has yet to be created.

Now, I would like to do a bit of brainstorming and toss out a few concrete ideas that might help to create a favorable climate for farmer bargaining associations. These are some of the ideas we now have under close study in the Department. We welcome the comments of others as to their merit and usefulness at this time.

A National Farm Bargaining Board

A National Farm Bargaining Board (NFBB) might be set up to serve much the same function as the National Labor Relations Board does for labor.

Initially the Board, at the request of a producer-group, would determine the boundaries, size, and composition of the product bargaining unit, based on traditional marketing patterns. If more than one group vied to represent growers the Board would supervise an election, to be decided by majority vote. It would then certify a bargaining agent and would insure that processors bargained in good faith with it. The same legislation might provide for all producers' sharing association costs.

It might also provide that prices negotiated by the bargaining agent would be binding on all suppliers, after the price was ratified by the producers.

Thus all growers supplying a particular processor would receive a similar price -- much as a single negotiated wage level now covers all industrial workers doing similar work and represented by the same bargaining agent.

The association might be empowered to bargain with a representative of several processors, so that it could negotiate a single industry-wide contract rather than a multitude of individual contracts.

Written into the law might also be a provision that producers have the absolute right, alone or with others, to withhold their product from the market. This would be balanced with an existing proviso that, if prices were unduly enhanced, the Secretary of Agriculture could issue a cease and desist order to enjoin the group's withholding activity.

Marketing Agreements

Another approach is marketing agreements. As you know, they are already in effect in many areas and for many commodities. We are now studying methods to broaden the scope and authority of the marketing agreement and orders program authorized by the Agricultural Marketing Agreement Act of 1937.

Changes in existing legislation might provide for (1) inclusion of additional commodities, especially the perishables mentioned earlier, (2) authority to establish minimum prices and other terms under which handlers could acquire products from producers, and (3) more flexible authority to make adjustments in producer-allotments and marketing quotas.

The key aspect of the marketing agreement and order concept is that initiative for action -- and the leadership to design, approve, and get a program working -- must come from farmers and their marketing agencies.

The market-order system has some important advantages.

First, it requires a two-thirds majority of producers in a particular commodity to approve an order, assuring broad-based support for the order. But by requiring only a simple majority to keep it in effect, the difficulties in maintaining a viable organization of often-small and geographically scattered producers are mitigated.

Second, the marketing order carries within it necessary anti-trust exemptions. No other adjustments are necessary to create a favorable legal climate for effective bargaining associations.

Producer Marketing Boards

A third idea we're reconsidering is that of producer marketing boards. Such a board would have the power to regulate production and marketing of a given commodity. It would be able to negotiate prices and other terms of sale.

This same basic idea has been around for many years. It formed the heart of the National Agricultural Relations Act proposed in the late 1940's ... the Family Farm Program Development Act of 1959, and the Agricultural Enabling Agreements Act that President Kennedy proposed in 1961.

Similar boards already operate in the United Kingdom, Canada, New Zealand, and Australia. To operate successfully, representatives of the public and processors, as well as producers, should sit on the board, and provision should be made for periodic public review of operations.

These are a few of the ideas that we're exploring in the Department now. Again, let me emphasize that these are tentative ideas not firm legislative proposals and that they are designed to enhance -- not replace -- existing commodity programs in the "basics".

After we have had an opportunity to refine these ideas, I plan to meet with farm organization, commodity, and processor representatives to discuss with them the final form they should take.

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There are things that might be done right now without additional authority, and farmers are doing some of them. Some farmer-cooperatives have taken heart from the old adage and, rather than "trying to beat the opposition have, in a sense, "joined" them.

Some Florida citrus growers now squeeze their oranges, concentrate, can, and freeze the juice, then sell the end product directly to supermarkets. There is more money in this for producers than in "raw" orange juice. Some soybean cooperatives are in the business of producing oil and other products, moving another step up the ladder of the marketing cycle.

In short, the cooperatives, owned and operated by farmers, are "joining", the more profitable sector of the marketing cycle, assuring control of one more step in this cycle by farmers themselves, rather than off-farm interests. It is a development that I applaud and encourage.

Another encouraging development is the broadly-based support for S. 109, which I mentioned earlier. This act would specifically prohibit any handler or processor from:

- interfering, or threatening to interfere, with
a producer joining a cooperative.
- discriminating, or threatening to discriminate,
against a producer because of his membership in a
cooperative;
- coercing a producer to terminate such membership;
- making false reports about, or interfering with,
cooperatives;
- or conspiring with any other person to do any such act.

The ideas I have discussed this noon are not brand new, nor are they all original with this Administration. The National Commission on Food Marketing, for instance, in its 1966 report strongly recommended strengthening bargaining associations, broadening marketing agreements and orders, and the agricultural marketing board approach.

What is new, in my opinion, is a climate in rural America that gives some hope for their accomplishment. Perhaps "bargaining power" is an idea whose time has come.

In essence, what I have discussed this noon is an economic "bill of rights for the American farmer. To the extent that such a program would allow farmers to shape their own economic destiny -- rather than having this destiny shaped by off-farm interests -- it could also be tagged a "do-it-yourself-kit" for greater farmer-bargaining power.

The label doesn't matter much. What does matter is a program to give farmers more control than they now enjoy over the prices they receive and the conditions under which they sell.

Whenever I am asked the question, "how are farmers doing?", I am reminded of what James Thurber said when asked the question, "how is your wife?" He hesitated a moment, then replied, "compared to what?"

Compared to 1960, total net farm income last year was up by more than 60 percent, and was the second-highest in history. This year it should approach 1966 levels.

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But compared to what other Americans earn, and compared to what businesses similar to farming earn, the average farmer is receiving only about two-thirds of the American standard of living. He is not adequately rewarded, and should be making more. The ideas discussed today may allow him to do so.

Thank you.



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Georgia and Louisiana Farm Policy Conferences

I am visiting the Southland today to participate in free and open "shirt-sleeve" sessions with farmers and farm leaders in Athens, Georgia, and Alexandria, Louisiana.

I am here for two reasons only. First, I would like to share briefly with you my ideas on the state of American agriculture, and to leave with you a few ideas on where I think we should go from here. Second, and more important, I would like to hear from you on the problems you're facing, to learn what I can do to help. Working together, I believe we can overcome our problems and reach our parity goal.

First, I'll talk; then I'll listen. So let's look at --

Where We've Been

Throughout World War II and Korea, the farmer produced to intense demand and received good returns. But the technological advances that enabled him to meet war-time demands betrayed him once the emergencies were over.

By the beginning of this decade, peacetime overproduction had stolen much of his earning power. By the close of the 1960-61 crop marketing season, 1.4 billion bushels of wheat and 85 million tons of feed grains were stockpiled -- and net farm income had plummeted \$2.4 billion in eight short years. Farm costs, as always, continued to climb.

Farmers were despondent and disillusioned, and with good reason. To many, the fight seemed hopeless. The word "farm" seldom appeared in print without the modifier, "mess" behind it. Enemies of farm programs had wielded their

brushes with a lavish hand, plastering the "surplus and subsidy" label on the farmer's back. It was widely believed that there was no answer to the so-called "farm problem."

But in six short, eventful years American agriculture turned the corner from pessimism to promise.

Where We Are Now

The market is freer of Government now than it has been for 30 years, and nearer supply-demand balance than it has been for half a century. Now -- for the first time in many years -- our farmers are being asked to grow more .. instead of less. Most of our farm programs are now voluntary.

The surpluses of the fifties are gone. By the end of January, 1967, the Commodity Credit Corporation investment in farm commodities was down to \$4.37 billion, a reduction of \$2.47 billion from the previous year, and about \$4 billion less than the peak investment years of 1956 and 1959. And equally important, we worked off the surpluses without depressing income. Instead, prices of commodities in surplus moved steadily up as we disposed of the overages.

While total gross farm income was setting an all-time record last year, net farm income was climbing to \$16.3 billion, the second highest in history. This was 40 percent greater than it was in 1960, and 15 percent higher than in 1965. Realized net income per farm also set an all-time record at \$5,024 ... 19 percent higher than the year before and 70 percent higher than in 1960.

This progress is impressive and encouraging. However, all is not bright. There are tangible reasons for farmer concern today. In 1960, per capita farm income was only 50 percent of non-farm income. Today it has moved up to 65 percent, but the average farmer's per capita income is still one-third below that of nonfarm residents.

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Farmers averaged \$1,731 per capita last year, while non-farmers averaged \$2,618. Since August, 1966, prices have fallen 9.6 percent while costs continue to climb inexorably.

Where Are We Headed?

And so although there has been great progress, a big job is still ahead of us if farmers are to have the standard of living they need and deserve. Hence this is a good time to take stock, determine where we are, and chart a future course.

First, let's take a look at our New Era farm programs. As you know, they are the end product of four years of testing and major legislation passed in each of the years 1961, '62, '63, '64. Each was a bitter struggle; all culminated in the Food and Agriculture Act of 1965.

Heated in the crucible of political fire, and hammered out on the forge of diverse commodity interests, they are practical, effective, and they work.

1. In grain, supply and demand are in close balance. As of April 15, wheat was 16 cents higher than a year ago; corn was up 7 cents and both were substantially higher than in 1960. Exports have risen dramatically, especially in the feed grains, and especially for dollars. Last year feed grains became our largest single dollar earner of any export, agricultural or industrial.

Compared to 1965, producer receipts were up \$564 million in wheat and \$381 million in the feed grains. Grower income from soybeans, an important crop here, was up \$537 million. Compared to 1960, receipts were up \$500 million in wheat, \$2.1 billion in feed grains, and \$1.3 billion for soybeans.

2. Cotton, despite the very real problem that ginner and crushers are experiencing -- which I deeply regret -- is in a much better situation after the first year's operation of the new program. In crop year 1966-67,

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even with extremely bad growing conditions, net income of cotton farmers is about 25 percent higher -- or \$200 million more than it would have been had the 1965 program continued in effect.

Disappearance of cotton exceeded production for the first time in six years. Exports of cotton are increasing by more than two million bales over the very low levels of 1965-66, when less than three million bales were exported. Domestic consumption is at a high level. Record stocks of cotton in the U. S. are being reduced by about five million bales in one season.

Cotton has become more competitive in both foreign and domestic market. The price-support differentials are encouraging a shift to higher quality, longer-staple cotton -- the kind most in demand. The new research and promotion program growers are sponsoring -- beginning with the 1967 crop -- will strengthen cotton's competitive position.

Tobacco is not in the 1965 Act, but is part of the New Era approach. Excessive supplies of flue-cured tobacco have been reduced by about 300 million pounds. Holdings of loan-stock tobaccos have been reduced by about 275 million pounds. A very small percentage of the crops has moved under price support, compared to about one-fifth of the crop during 1963 and 1964.

There has been substantial improvement in the quality of tobacco, and flue-cured exports during this marketing year should reach 535 million pounds -- an increase of about 100 million pounds over the previous year and probably the third highest on record. Grower income was up \$57 million last year over 1965.

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New Era Programs

These New Era programs aren't easy to administer. For instance, it is impossible to predict, with absolute accuracy, what the weather will do, or how much of any one commodity our competitors in world trade will produce in any one crop year. Yet weather and yields around the world are important considerations in setting acreage allotments for wheat, and diversion rates for feed grains.

In 1966, after increased domestic wheat acreage had been announced, new information from the Soviet Union and Australia indicated a bumper crop. World weather conditions improved steadily and a record global wheat crop resulted.

In corn, relatively slight weather variations can mean a plus or minus of three bushels to the acre. At the end of the year this variation could mean a difference in the range of 400 million bushels in the total crop.

So it isn't always possible to hit the supply target exactly. It's important that farmers understand this and help in the decision-making process so that our judgments are as accurate as possible. After the fact is too late.

A second factor is that the New Era programs are new. This means uncertainty, and uncertainty is always unpleasant. Under the old programs, the loan rate, in effect, set the market price. This was certain and comfortable. Now the market is jumpy, although it is running well above the support rate. If producers guess wrong, if they sell--or fail to sell--at the best possible time, it's easy to blame the programs.

But we're learning, and we're working hard to make these programs better. Now that we have a re-seal program for on-the-farm and warehouse storage, farmers can hold on to their products and make the market work for them, rather than against them. Price supports and payments strengthen their holding power also. Direct and diversion payments in many of the basics make it possible for them to compete in world markets and, at the same time, maintain their income.

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Not everyone likes the New Era programs, of course. One farm organization wants to do away with all programs in the grains--for a starter. A city Congressman is sponsoring a bill that would do just that.

Alternatives

But what are our real alternatives?

The primary alternative to present programs is "no program at all."

I believe there is a real possibility that we could lose our farm programs--especially if misunderstanding continues among farm people themselves.

This is an ever-present risk--not just one we face only in 1969, when most present legislation expires. True, we are only in the second year of the four-year authorizations passed in 1965. But the laws are always susceptible to crippling amendments. A farm program can also be destroyed by withholding appropriations.

To learn what would happen to farm income if this does occur, I asked Dr. Walter Wilcox, the distinguished economist of the Library of Congress, now the Department's Director of Agricultural Economics, for a study on commodity programs in the years immediately ahead.

He and his associates, after consultations with leading economists at nine universities, concluded that in the absence of adjustment and price support programs, rising production would drive prices down rapidly. By 1970, corn would fall to around 70 cents a bushel, cotton to 18 or 20 cents a pound. Soybean prices would probably drop to around \$1.90 to \$2.00 a bushel. Wheat would fall to about \$1.00 to \$1.10 per bushel.

Within a year or two, livestock supplies would also overburden the market and prices would fall. Prices would drop most heavily in hogs and

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poultry, less in dairy, with the effect on beef prices somewhere in between.

By 1970 the decline in the price level for livestock would be almost 10 percent. The overall price level for crops would decline more than 20 percent, but farm production expenses would continue to rise.

Without programs, net farm income might well fall by one-third, some \$5 billion below the 1966 figure of \$16.3 billion, or back to about 1957 levels.

In short, farmers would lose all of the income gains of a decade, and then some. A crippling drop in land values would follow.

This report is available at this meeting.

A second alternative is high price supports and mandatory programs for all commodities.

With this approach, the Government would guarantee high price supports all the way up and down the line--but with strict controls on bushels, bales, and poundage, rather than on acres. Rigid high price supports are impossible without such controls--otherwise surpluses, and high costs to the Treasury, would kill farm programs in a short time.

Mandatory programs with quantity controls might work very well in maintaining farm income and in holding supplies in balance. We would be less competitive in world markets, even with heavy export subsidies, but even so they would probably cost less than our present voluntary programs.

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However, in order for mandatory, high-support programs to work -- or even to be put into effect -- they would have to have the support of farmers and the Congress, a support heretofore lacking.

When we tried the supply management approach in the Congress in 1962, we lost. The farmers themselves voted down a mandatory wheat program in the 1963 referendum. Even today I can detect very little enthusiasm, nationally, for such an approach among large numbers of farmers

As a practical matter, then, we have to make our present programs work. For all practical purposes, they are all the programs we're going to have, at least for the foreseeable future.

Whenever I get into a discussion on alternatives, I'm always reminded of what James Thurber said when someone asked him, "How's your wife?" The great humorist paused a moment, scratched his head, and then replied: "Compared to what?" It's a good question for all of us to ask when we chart our farm program course for the future.

So far I've discussed commodities covered by farm programs. But most of the price drops that farmers have experienced recently have come in the non-program commodities. Last year these non-program items accounted for 58 percent of farm income, vs. 42 percent from program-covered commodities.

Since last August we have experienced once again the old problem of too much supply; too little effective demand.

Hog marketings, as of this month, are 10 percent higher than a year ago, and prices are down 8 to 10 percent. Marketings were as much as 25 percent over last year for a while. Beef production is up 4 percent -- grain-fattened cattle production up about 8 percent -- and cattle prices are down $8\frac{1}{2}$ percent.

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Egg production is up 6 percent; prices are off 17 percent. The orange crop is up 34 percent, and prices are down 60 percent, compared to a year ago.

The Department is doing everything it can to even these peaks and valleys in the supply and demand contour.

Section 32 purchases, for the School Lunch and other domestic programs, and Food for Freedom purchases, will hit roughly \$2½ billion this year.

That's a lot of buying power and we are using it as skillfully as we can to strengthen prices. But under present law and marketing practices, there isn't much more the government can do. The farmer, in these "no-program" commodities, is essentially "going it alone" in the market.

After some six years of experience, however, I feel that more can be done to help him in that market -- if there is enough support for doing it among farmers themselves. So let's brainstorm a little; let's even dream a little; let's kick out some of the ideas on farmer-bargaining power that are being discussed these days in the Department and around the country.

In just a few minutes, I'd like to have your comments and suggestions on them.

A National Farm Bargaining Board

One idea is a National Farm Bargaining Board (NFBB), that might serve much the same function for farmers as the National Labor Relations Board does for labor.

Initially, the Board, at the request of a producer-group, would determine the boundaries, size, and composition of a "product bargaining unit," based on traditional marketing patterns. If more than one group vied to represent growers,

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the Board would supervise an election to be decided by majority vote.

It would then certify a bargaining agent and insure that processors bargained in good faith with it. The same legislation might provide for all producers' sharing the association costs, and might provide that prices negotiated by the bargaining agent would be binding on all suppliers, once the price was ratified by growers.

Thus, all growers supplying a particular processor would receive a similar price, much as a single negotiated wage level now covers all industrial workers who do similar work and who are represented by the same bargaining agent.

The association might be empowered to bargain with a representative of several processors, so that it could negotiate a single industry-wide contract rather than a multitude of individual contracts.

Written into the law might also be a provision that producers have absolute right, alone or with others, to withhold their product from the market. This would be balanced with an existing proviso that if prices were "unduly enhanced," the Secretary of Agriculture could issue a cease and desist order to enjoin the group's withholding activity.

Marketing Agreements

Another idea is marketing agreements. As you know, they are already in effect in many areas and for many commodities under State as well as Federal law. We are now studying methods to broaden their scope and authority.

Changes in existing legislation might provide for (1) inclusion of additional commodities, especially the perishables mentioned earlier, (2) authority to establish minimum prices and other terms under which handlers could acquire products from producers, and (3) more flexible authority to make adjustments in

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producer-allotments and marketing quotas.

The key aspect of the marketing agreement and order concept is that the initiative for action -- and the leadership to design, approve, and get a program working -- must come from farmers and their marketing agencies.

The market-order system has some important advantages.

First, it requires a two-thirds majority of producers in a particular commodity to approve an order, assuring broad-based support for the order. But by requiring only a simple majority to keep it in effect, the difficulties in maintaining a viable organization of often-small and geographically-scattered producers are lessened.

Second, the marketing order carries within it necessary anti-trust exemptions. No other adjustments are necessary to create a favorable legal climate for effective bargaining associations.

Producer Marketing Boards

A third idea being reconsidered is producer marketing boards. Such a board would have the power to regulate production and marketing of a given commodity. It would be able to negotiate prices and other terms of sale by areas or nationally.

Similar boards already operate in the United Kingdom, Canada, New Zealand, and Australia. To operate successfully, representatives of the public and processors, as well as producers, should sit on the board, and provision should be made for periodic public review of operations.

These are a few of the ideas that we're exploring in the Department now. Again, let me emphasize that these are tentative ideas, not firm legislative proposals, and that they are designed to enhance -- not replace -- the existing basic

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commodity programs that are still the key to increasing farm income.

On occasion, when I am describing the big picture of American agriculture and how it works, I've compared the government's role in our New Era programs to that of a referee in a football game. The ref must keep the teams on the playing field. To do it, he blows the whistle when the players step out of bounds. Under our basic commodity programs, the government is the referee. He makes it possible to prevent either surplus or shortage of the basic commodities, especially the grains.

The players, in this analogy, are supply and demand. It's important that the two teams be of reasonably equal strength. If supply and demand are in reasonable balance, the game in the market place will benefit everyone.

Using this football analogy, government -- in addition to keeping the teams from going out of bounds -- can help keep the demand team strong by doing a more skillful job with P.L. 480 and Section 32 purchases, thus helping to even out the peaks and valleys in demand. We can continue and upgrade our already-massive efforts to increase commercial exports, which will pass the \$5 billion mark this year. Some of the other things government can do, were mentioned earlier.

Then, if in addition to the New Era programs, farmers themselves can build bargaining power comparable to that of the other organized groups with whom they compete, farmers at long last would have the tools to get the income they need and deserve.

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But doing all these things won't be easy. There are strong forces that would destroy our present programs and fight to the death any future attempts by farmers to gain more muscle in the marketplace.

In the fifties this crowd hung the "surplus and subsidy" label on farmers. In 1967 they have a new catch-phrase, "cheap food policy," by which they are seeking to turn farmers against consumer and government programs.

When you hear the demagogues shout, "cheap food policy," be alert. Ask the person or publication using it where they heard it. Track it down to the source. Expose the distortions and outright lies on which it rests.

There is no "cheap food policy." There never has been. There are just the same old enemies of farm programs, dressed up in a new disguise, and equipped with a new foghorn.

Despite these attacks and distortions, which are sure to mount in virulence and irresponsibility as another election approaches, I am optimistic.

We have a strong President in the White House, one who knows farmers and farm programs, and one who will fight for the farmer. We have a four-year program and a new unity among farmers for greater bargaining power. What we do with all this is up to us.

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I am confident that with determination and confidence in each other we can continue the progress we have made since 1960. There may be interruptions of the type we have suffered since last August. Progress is not always a level path, and at times we take one step back while taking three forward. But if we persevere we recover and go on to greater heights. We can, and we will, reach our goals if we keep on fighting.

Thank you for your attention. Now I'd appreciate your comments and questions.

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Mr. Chairman, Distinguished Delegates, Ladies and Gentlemen:

Permit me before I present to this distinguished assemblage an International Statesman of esteem and accomplishment to add my voice to those who welcome you officially to this Conference and to this Country.

As Minister of Agriculture in the United States it has been my great privilege and pleasure to visit with many of you in your country. I am delighted to see you here today. I hope our hospitality can match that you have extended so generously to me and Mrs. Freeman on many occasions.

We have an old saying in the United States that all work and no play makes Jack a dull boy. We hope that you will not only work hard but play hard as well. We hope, too, that you may extend your visit and travel around the United States and enjoy our country as we have enjoyed yours.

As I look around this great hall I see the faces of many who gathered here 4 years ago when it was my pleasure to serve as Chairman of the World Food Congress assembled under the auspices of the Food and Agriculture Organization of the United Nations.

I shall never forget that Conference. It is hard to believe that it is all of 4 years ago since we struggled here around the clock to lay plans for an attack on hunger around the world. Much has happened since then. We are still far from reaching our target, an adequate nutritious diet for every man and woman and child in the world. But the stimulation of that World Food Congress, the targets we set, the information we exchanged have contributed immeasurably to the very real progress that has been made since then. Today we know that the War on Hunger can be won. Four years ago we determined that we had the know-how,

Remarks of Secretary of Agriculture Orville L. Freeman introducing the Honorable B. R. Sen, Director General of the Food and Agriculture Organization, at the International Conference on Water for Peace, Washington, D.C., Wednesday, May 24, 1967.

the technology, the potential capacity to produce the food and fiber necessary to meet the needs of people everywhere. However, we acknowledge regretfully but frankly that we lacked the wisdom to organize and mobilize so we could use the know-how at our finger tips. Today, 4 years later, we cannot yet say that we have acquired that wisdom, but we can say that we have traveled a long way down the road towards developing the methods and the systems that will make it possible to successfully organize and mobilize the scientific and technological know-how that still goes shockingly unused.

However, we are not discouraged. We know the world is threatened by the fact that in the next 15 years there will be another billion mouths to be fed. But that very threat is stimulating us; individually, each country here, and the great international organizations in which we participate, to an even greater effort to expand know-how and to make that know-how a living, producing reality, to take it out of the test tube and the research plot and get it working on the farms big and small all over the world.

And so we gather here once again -- this time to concentrate our attention on water. In the course of this great conference the importance of water to man and his environment will be emphasized again and again in multiple ways. But no use of water is more important or vital than its use to produce the food upon which life itself depends.

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This Conference could be a moment history will remember well.

This Water for Peace Conference could greatly speed man's success in his ageless quest to make the waters of the earth serve him -- to escape the despotism of flood and drought -- to turn water to the uses it must serve if man is to reach his aspirations. Indeed, this is a place to dream. But this also is a place to be practical -- to lay foundations that will make sure our dreams come true.

Our dream in agriculture is to make water a fully effective tool in the War on Hunger -- and working together we have the capability to realize our dream.

Whether the water comes from the (1) land, which is the great gatherer and storage basin of fresh water, or whether it comes from the (2) oceans or from (3) brackish lakes, we must keep it pure, conserve it, and use and re-use it to produce food in abundance for the peoples of the world.

If what we begin here is followed by unified, relentless and continuous action on all the "water fronts" of the world, then we shall have won what President Johnson has called "a race with disaster."

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"Either the world's water needs will be met," the President said, "or the inevitable results will be mass (1) starvation in the world, mass (2) epidemics in the world, and mass (3) poverty greater than anything you have ever known before."

In many ways, we in the United States have been slow to learn. Only after decades of shortsighted use of our soil, water, timber, and grasslands did we come to recognize that these resources are not limitless and must be conserved while in productive use. We learned our lesson, and we are moving ahead to rectify our mistakes.

A basic natural law we have learned from research and practice is that the water resource and the land resource cannot be isolated from each other.

In short, we have learned that a narrow, piecemeal approach of dealing separately with one resource, or one use, or one purpose at a time can never provide the environment which nourishes man's spirit as well as his body.

Thus we seek to enhance man's total environment -- to create an environment where water is clean, air is pure, soils are rich and productive, wildlife is abundant, and natural beauty is the rule and not a rarity.

This is the broader goal of Department of Agriculture activities in water conservation and development through soil, forest, and grassland conservation. We cooperate closely with the owners of

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private lands, which represent three-fourths of the land in the United States in multiple programs of land and water use. We are responsible for the management of the 187 million acres of National Forests and National Grasslands, a major product of which is water. We cooperate closely with managers of other publicly-owned land -- county, municipal, state, and federal.

The water phases of our work are a natural and inevitable outgrowth of the original purpose of the U.S. Department of Agriculture "to acquire and diffuse useful information on agriculture."

We are earnestly trying to extend this knowledge far beyond our borders. We are contributing technical and scientific help to other countries as an important part of our effort in the War on Hunger.

For example:

*A concentrated soil and water conservation project to increase agricultural production is underway in Nigeria.

*Our water management specialists help farmers in Tunisia grow more food, control floods, and make better use of water resources.

*We help train Ecuadorans in irrigation techniques, watershed development, and water conservation.

*We work with foresters in the Dominican Republic to reduce silting in rivers and reservoirs through watershed management.

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* Several of our technicians are helping the Indian Government raise food production through a special soil and water research program, seeking ways to get needed water to crops.

* In Thailand we help the Thai Government to develop a long range soil and water conservation program.

We earnestly endeavor to select our most competent and best trained people for such assignments.

We also work through and with the multilateral international agencies where the peoples of the world cooperate.

President Johnson has increasingly emphasized the importance of the multilateral approach in solving the world food problem and winning the War on Hunger.

His guidelines for victory over hunger include: Self-help by developing nations, multilateral assistance by the developed countries, greater efforts by international organizations and greater use of the great resources of the private sector of the developed world's economy.

Among the United Nation's family the Food and Agriculture Organization is most especially concerned with the subject of this Conference. The FAO is dedicated to cooperative, world-wide efforts to win the War on Hunger for the benefit of all mankind. Not the least of these efforts relate to the wise utilization of water in the production of food.

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In the study of Hydrology, in an observance of the International Hydrological Decade initiated by UNESCO, FAO is an active participant.

FAO has undertaken the study of ground water in many parts of the world, providing data that will help member governments and contributing to the increase of knowledge.

It has conducted soil surveys around the world. In some countries FAO experts are making controlled trials and conducting research on soil moisture as affected by various tillage practices.

In El Salvador an FAO team helped to discover a fabulous underground reservoir containing an estimated 12,270,000 acre feet of water. This discovery, after a three-year search opens the possibility of at least doubling agricultural production in that area.

In Afghanistan, which I visited last year, an FAO Freedom from Hunger campaign project provides cement to line a centuries old canal, so that the villagers of an Afghan plain can irrigate their land and produce wheat, and maize, and those wonderful melons.

And, only recently, the FAO established its Department of Fisheries, to further international cooperation in maximizing our potential to use water resources in the production of food.

No one better understands the interrelated problems of food and water and hunger and human need than the distinguished citizen of the world it is my privilege to introduce as your next speaker.

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Dr. B. R. Sen has for the past decade been the strong guiding spirit of the FAO. Ten years ago his was a voice crying in the wilderness to awaken the statesmen and the nations of the world to the urgent importance of greater emphasis on agricultural development. Under his leadership, the FAO has moved steadily into action programs to assist developing nations in producing more food. It carries out special programs under the United Nation's Development Program and the World Bank.

Under Dr. Sen's leadership, FAO's Freedom from Hunger Campaign has spoken with a clear and eloquent voice to arouse the people of the world to the critical importance of agricultural development if we are to conquer hunger and achieve the goal of higher standards of living and over-all economic growth in the developing nations. He has made it clear that no nation now or in history has built a strong and prosperous economy and a high standard of living without a prosperous economy.

And through FAO's Indicative World Plan, guidelines are being formulated today to systematically plan and program to achieve that goal.

Dr. B. R. Sen had a distinguished career in the service of his own nation before he became Director General of the FAO. He was educated in Calcutta and at Oxford. He was Director General of Food in the government of India from 1943-46. After India's independence he served in the Indian diplomatic service, as Ambassador to Italy and Yugoslavia, to the USA, and to Japan, and represented India at several international conferences. He was elected Director General of the FAO in 1956.

He will be remembered among the nations of the world for many things, but perhaps most of all for his vision and his leadership and his determination in mobilizing and coordinating world-wide efforts to win the war on hunger. We are honored today to hear about "Water for Food" from the man who has so effectively led the world's Food and Agriculture Organization in its program to insure food for peace.

Dr. Sen.

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STATEMENT BY SECRETARY FREEMAN ON THE REPORT OF THE
REVIEW COMMITTEE FOR THE MAGRUDER CORRIDOR

The Magruder Corridor is a 173,000-acre area of northcentral Idaho within the Bitterroot National Forest. It lies between the Selway-Bitterroot Wilderness and the Salmon River Breaks Primitive Area.

During the spring and summer of 1966, I received numerous expressions of concern about the plans which the Forest Service had drawn for the development and use of the various resources in the Corridor. The concern was directed at such matters as the area's fragile soils, its ecological relationships, the possible effects of various land use on fisheries values, and the general overall management of the area.

These public expressions, following so closely the floods of 1964 and 1965 in western Montana and northern Idaho and the resulting damage, indicated that I needed additional information in order to make knowledgeable judgments as to the future use and development of the Magruder Corridor. Therefore, last September, I appointed a special citizens Committee to review, on a broad basis, Forest Service plans for the management of the Magruder Corridor and to advise me whether, in its opinion, it would be feasible to execute such plan or plans of such character for the general public good. The Committee was asked to study the land, the resources, and especially the effect of planned development on the area's fragile soils and on the local and downstream fisheries. I reminded the Committee that the management objectives for the Corridor should realize for the people who live in the vicinity and for the people of the country as a whole, a pattern of use which will assure the highest long-term public values.

This special Review Committee was composed of carefully selected men with a broad experience and specialized training in a range of natural resource fields. The Committee was chaired by Dr. George A. Selke, former Chancellor of the University of Montana and former Commissioner of Conservation in the State of Minnesota. Other members of the Committee were: Kenneth P. Davis, professor, School of Forestry, Yale University; James R. Meiman, professor of watershed management, College of Forestry and Natural Resources, Colorado State University; Donald J. Obee, professor of botany, and Chairman, Division of Life Sciences, Boise College, Boise, Idaho; Daniel A. Poole, Secretary, Wildlife Management Institute, Washington, D.C.; and William S. Reavley, Western Field Representative, National Wildlife Federation, Salt Lake City, Utah.

The citizens Review Committee and its individual members made several trips into the area. Committee members traveled the roads, hiked some of the trails, and observed it from the air. The Committee held public meetings in Missoula, Montana; and in Boise and Grangeville, Idaho. It had extensive correspondence with people and organizations interested in the Magruder Corridor, and it consulted with technical experts in many fields related to the subject.

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June 1, 1967

The Committee presented its report to me on April 20, 1967. I am now releasing it to the public.

The Review Committee has done an excellent job of identifying problems and recommending solutions. Those interested in the details of the recommendations and the carefully developed thinking of the Committee should read the report.

I am today announcing decisions on those recommendations that lie within the Department's power to act.

I have studied the Committee's report and its recommendations very carefully. While some of the data collected in the limited time available may need further verification and some of the judgments may be debatable, I accept the overall intent of the Review Committee's recommendations. I agree that, under the special circumstances involved, the Forest Service should refine its plans for developing and managing the Magruder Corridor. I also agree with the Committee that the Forest Service can and should manage the Magruder Corridor, recognizing its existing and potential values in proper balance, without resorting to special designation or classification. Further, as the Review Committee emphasized in one of its recommendations, I see a distinct need for the Forest Service to keep the public informed in this regard.

The Review Committee sets forth three primary values which they believe should govern the management of the Magruder Corridor:

- It has important watershed-fisheries values.
- It is a historic and natural connecting route between Idaho and Montana.
- It has important existing and potential recreational values, particularly because of its proximity to the Selway-Bitterroot Wilderness and the Salmon River Breaks Primitive Area.

I agree. In support of these principles, I am asking the Forest Service to prepare a new integrated plan for the orderly development and management of the Magruder Corridor. It will coordinate resource management plans, using the guiding policy that all land management shall reflect and maintain wild land conditions consonant with these primary values. Roads will be constructed in the area only on the basis of a clear need established by the plan. This determination of need for each road will include careful economic analysis, recognizing the inherent costs involved in the erosion control measures required in this area.

In directing that such an integrated plan be prepared, I am aware, and the Committee recognized, the Forest Service has developed a multiple use management plan for the area. Adequate resource inventories take time, and there has been little time to complete all the necessary surveys and inventories or to develop detailed and coordinated plans for all resources.



Also, I recognize that such a special plan for the Magruder Corridor goes beyond that which the Forest Service should be expected to formulate to guide the management of most other areas for which it is responsible.

The Review Committee recommended that management of the Corridor must promote water quality and flow conditions to maintain and, if possible, enhance the environment of salmon and steelhead populations.

I agree. The Selway River is one of the most strategic streams with regard to anadromous fish production in the Columbia River drainage system. I am directing the Forest Service to take special precautions to protect and improve watershed and fisheries values in the Upper Selway River drainage as the Committee recommends.

The Committee recommended that timber harvesting and associated logging road construction be deferred until certain conditions were met.

I agree with this recommendation and, therefore, am directing the Forest Service to delay any harvesting of timber until commercial timber and timberland values have been more specifically and comprehensively evaluated. I am also directing that timber harvesting be delayed until a clear need is established for each road, as I have discussed above on the Committee's first recommendation. The Forest Service will further evaluate the scenic aspects of timber harvesting methods to determine where and how cutting may reasonably be done consistent with maintaining an esthetic landscape in areas of public use for travel and recreation.

The Review Committee also recommended that all road construction and maintenance be based on integrated planning for the area as a whole in consonance with its primary values. Such an overall integrated plan would recognize the high costs of building and maintaining roads which will not result in significant erosion and stream sedimentation.

I agree. In accepting this and related recommendations of the Committee, I have been assured by the Forest Service that it has no plans for constructing a road from the Magruder Ranger Station to Thompson Flat at the boundary of the Salmon River Breaks Primitive Area. The Review Committee concluded, and I agree, there is no foreseeable need for such a road.

The Committee specifically recommended that the Selway River Road from Magruder Crossing to Paradise Guard Station be maintained primarily as a recreation and administrative service road and that it should be improved promptly for safety and for the stabilization of cuts and fills.

I accept this recommendation. This recommendation is in harmony with present planning. I am directing the Forest Service to give increasing emphasis to solutions to these problems regarding safety and erosion-siltation. The Forest Service will proceed with its plans to repair the sources of sedimentation along this road.



The Review Committee recommends the Nezperce Trail Road from Darby, Montana to Elk City, Idaho be improved as use justifies and given thorough maintenance. It is the main road of the Magruder Corridor. It has the greatest use and constructed width; and, special care should be taken, particularly in the Deep Creek section, to prevent erosion and stream sedimentation. Dust-proofing and paving of some portions may be advisable.

I am in agreement with this recommendation. The Nezperce Trail Road was originally constructed by the Civilian Conservation Corps in the 1930's to facilitate fire control activities. There will be an increasing need for a "recreation way" across the Magruder Corridor. Most of such a road will be on the location of the present road; but some sections of it will have to be relocated in order to protect soil and water values, to make it safe for public travel, and adequate for other resource uses.

I am directing the Forest Service to proceed with its specific plan to pave the recently constructed $8\frac{1}{2}$ -mile section of the Nezperce Trail Road which is in the Deep Creek drainage. Further, seeding, fertilizing, and mulching to heal the raw cut and fill slopes along this section will be continued until it is effective. Of course, continued maintenance of this and of other sections to be constructed will be necessary.

In this same regard and in response to another related Committee recommendation, I am asking the Forest Service to develop realistic road maintenance plans for the Magruder Corridor and to estimate the cost of maintenance as a part of overall and specific road transportation planning.

The Review Committee also recommends that a long-range recreation plan be prepared to give thorough consideration to recreation uses and values. The plan would provide for maintenance of quality, primitive-type recreation; identification of specific recreational locations; delineation of scenic views and other points of interest; provide for adequate interpretive marking of historic features; and location of potential packer-outfitter sites.

I accept this recommendation. In addition to treating this subject in its integrated plan for the Corridor as a whole, I am asking the Forest Service to prepare a long-range recreation plan which will give thorough consideration to all recreation uses and values.

The Committee recommended that research related to erosion and sedimentation on granitic and related soil materials of the Idaho batholith should be strengthened. It further recommended that such research should include classification of materials, description of erosion processes on various types of materials, evaluation of man-influenced versus natural erosion, and development of logging and roading practices on these areas to minimize erosion and sedimentation.

I accept the intent of this recommendation. I am directing the Forest Service to develop a plan for a strengthened research program to more adequately



meet the needs suggested by the Committee and assure that the most advanced knowledge available is utilized in planning the land management and development practices which are necessary to control erosion and sedimentation in the Magruder Corridor.

My acceptance of the Review Committee's recommendations and the actions I am directing the Forest Service to take may not go as far as some people hoped. Others will object to actions that limit or delay use in order to protect and enhance the primary values of the Magruder Corridor. I have made my decision after careful study of all information pertinent to management of this area.

The Review Committee members have made an important public contribution to public land management in the United States and in the State of Idaho. I publicly express my appreciation and indebtedness to them.



Owsley DU 8-6957
Clark DU 8-4026

Washington, June 1, 1967

Secretary Freeman Outlines Management of Magruder Corridor:

Secretary of Agriculture Orville L. Freeman today directed the Forest Service to prepare "a new integrated plan for the orderly development and management of the Magruder Corridor."

The Corridor is a 173,000-acre area of northcentral Idaho within the Selway-Bitterroot National Forest. It lies between the Selway-Bitterroot Wilderness and the Salmon River Breaks Primitive Area.

The new multiple use plan, the Secretary said, "will coordinate resource development and management plans under a guiding policy that all land management shall reflect and maintain wild land conditions consistent with the primary values of the Corridor: watershed-fisheries, historic, and recreational resources."

The Secretary based his decision upon recommendations of a special Citizens' Committee he appointed last September. At that time, the Secretary emphasized that management objectives for the Corridor should realize--both for those who live in the vicinity and for the people as a whole--a pattern of use that will assure the highest long-term public values. The Committee was named to review Forest Service plans for management of the area and to advise the Secretary as to the feasibility of the proposals.

Secretary Freeman's decision further provides that:

* The Forest Service take special precautions to protect and improve watershed and fisheries values in the Upper Selway River drainage as the Committee recommends.

* The Forest Service delay any timber harvesting until commercial timber and timberland values have been more specifically and comprehensively evaluated. The Forest Service also will evaluate further the scenic aspects of timber harvesting methods to determine where and how cutting can reasonably be done consistent with maintaining esthetic landscapes in areas of public use for travel and recreation.

* There is no need for a road from the Magruder Ranger Station to Thompson Flat at the boundary of the Salmon River Breaks Primitive Area. Also that the Selway River Road be maintained primarily as a recreation and administrative service road and be improved promptly for stabilization and safety. Paving is to proceed on the recently-constructed 8-1/2 mile section in the Deep Creek drainage.

* The Forest Service prepare a long-range recreation plan that will give thorough consideration to all recreation uses and values.

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* The Forest Service develop a plan for a strengthened research program to help assure that the most advanced knowledge be utilized in planning the land management and development practices which are necessary to control erosion and sedimentation in the Magruder Corridor.

The Citizens Review Committee made several trips into the area, traveling by road, hiking some of the trails, and observing the area from the air. The Committee held public meetings in Missoula, Mont., and in Boise and Grangeville, Idaho. They consulted with people and organizations interested in the Magruder Corridor, as well as with technical experts in many fields related to the subject.

"The Citizens Review Committee was composed of men carefully selected for their broad experience and specialized training in natural resource fields," said Secretary Freeman. "I am most appreciative of the useful work Committee members have performed."

Chairman of the Citizens Review Committee is Dr. George A. Selke, former Chancellor of the University of Montana and former Commissioner of Conservation for the State of Minnesota. Other members of the Committee: Kenneth P. Davis, professor, School of Forestry, Yale University; James R. Meiman, professor of watershed management, College of Forestry and Natural Resources, Colorado State University; Donald J. Obee, professor of botany and Chairman, Division of Life Sciences, Boise College, Boise, Idaho; Daniel A. Poole, Secretary, Wildlife Management Institute, Washington, D.C.; William L. Reavley, Western Field Representative, National Wildlife Federation, Salt Lake City, Utah.

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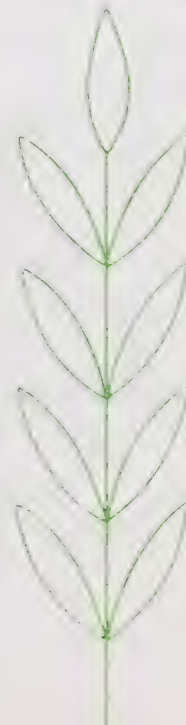
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U. S. Department of Agriculture
June 1

Conservation of Man's Total Environment

Once again we are in a conservation crisis that is a matter of urgent public concern. At stake is the quality of our total environment. The crisis will not go away. It demands action now. It demands intelligent, purposeful direction at all levels of government and personal involvement by all citizens. Conservation is a physical task, a social philosophy, and an economic necessity.

An expanding national economy requires a growing resource base. A rising standard of living demands a more wholesome environment. Fulfilling the needs of millions of people yet unborn cannot be assured unless we improve our use of natural resources and achieve planned patterns of land use without delay. The fruits of an expanding technology cannot be enjoyed unless technology itself is harnessed to meet the goals of the new conservation.

This document seeks to set down in sharp outline new conservation policies and the path to their implementation to which each of the diverse Agencies that make up the U.S. Department of Agriculture is dedicated.

Pure air, clean water, stable soils, productive crop, pasture, range and forest lands, abundant wildlife, natural beauty, and the opportunity for man to live in harmony with his natural environment are essential. They are interrelated and mutually supporting objectives. We commit ourselves to meet this great challenge, to continue our tradition of helping men throughout the world to help themselves, and to move forward with the bold new actions needed to restore, conserve, and wisely use our natural heritage and maintain it for future generations.



Orville L. Freeman
Secretary of Agriculture



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The Need and the Opportunity

Demands upon natural resources are growing at a tremendous pace. More people and higher standards of living require more food, wood, water, and space for outdoor recreation, and more of the many other products and services provided by our resource base.

The dimensions of these requirements on land and water resources underscore the urgency of conservation action. By the year 2000 we expect to see:

U.S. population up 130 million and world population doubled.

Food needs more than doubled.

Wood products needs about doubled.

Water needs for municipal use doubled—for manufacturing use quadrupled.

Outdoor recreation demand up 300 percent.

Irrigation withdrawals of water up 50 percent.

Land used for homes, schools, and factories up 200 percent.

Land used for reservoirs up 180 percent.

Land used for wildlife refuges up 133 percent.

Land used for transportation up 125 percent.

The U. S. Department of Agriculture is convinced that:

- (1) The quality of America's total environment can be improved by harnessing technology to maintain and increase resource productivity and beauty without polluting air, water, or soil.
- (2) People on farms and ranches and in rural communities can and will act effectively to conserve resources and upgrade the quality of the environment if they are provided with encouragement, incentive, and help on parts of the job they cannot do themselves.
- (3) Population imbalances can be eased through the creation of a more attractive and productive countryside.
- (4) Rural prosperity can be improved by effective resource development, and rural poverty can be reduced by creating meaningful and productive employment in resource-based industries.
- (5) Growing leisure can be provided new, creative, and restorative outlets through resource development.
- (6) Pressures between have- and have-not nations can be reduced, despite the growth in world population.



USDA Responsibilities in Creative Conservation

Conservation today encompasses the full sweep of interrelated natural resources and their management and use. Use, restoration, and preservation of resources must be made compatible. Man is but one element of the ecological whole. Emerging now is a special challenge to fit his activities and needs harmoniously into the total environment. Forces and interactions constantly at work in natural-resource use must be understood and directed from the perspective of the unity involved—expressed by Gifford Pinchot as “the one great central problem of the use of the earth for the good of man.”

A narrow piecemeal approach of dealing with one resource, or one use, or one purpose at a time cannot provide lasting solutions. Nor can it build harmony into the dynamic ecological system that is man's total environment. Rather, through skillful coordination of uses and planned management of resources, we can and must reverse the downward trend in the quality and adequacy of the natural world in which we live.

Only through widespread positive actions designed to blend uses harmoniously can we protect and sustain our natural environment and produce optimum combinations of goods and services from the Nation's soils, forest, range, water, wildlife, and other resources.

The Department of Agriculture has a major responsibility for resource conservation leadership in America and in the world. USDA conservation programs are concerned with the quality and management of crops, range, livestock, soils, water, forests, wildlife, and scenic beauty.

All of the Agencies of USDA work together, complementing and supporting each other's efforts, in a total commitment to creative resource development, restoration, use, management, and conservation. Thus, USDA programs move with unified action and common objectives toward common goals.

Vast segments of our Nation's land area are served by these programs. For example:

- (1) Three-fourths of the Nation's land area is made up of privately owned tracts in rural areas, served by USDA programs.
- (2) One-third of our land is forested. Through cooperative forestry programs, National Forest administration, and forestry research, USDA has primary leadership responsibility.
- (3) Three-fifths of our land is in crops, pasture, range, or other nonforest agricultural use.
- (4) Almost all of the Nation's soils and watersheds are reached and benefited by USDA programs.
- (5) The bulk of the Nation's fish and wildlife habitat is likewise helped directly by these programs.
- (6) Outdoor recreation opportunities in rural areas are predominantly located in National Forests or other forest-related areas, or associated with farm, ranch, or other private enterprises in the agricultural field.
- (7) The bulk of the Nation's designated Wilderness Areas is administered by USDA.
- (8) The quality of the rural environment, including natural beauty, is a matter of direct USDA concern.



Evolving Policies and Conservation Goals

To help the United States meet oncoming needs at home and abroad, USDA's conservation programs are being continually reshaped and strengthened:

To search out and promote the best scientific management techniques for meeting future resource needs efficiently without damage to the land or to the environment.

To extend the multiple-use concept of resource planning to all land resources to obtain the best possible patterns of planned resource use and rural development.

To develop our resource capacity sufficiently to assure abundant supplies of food and timber, as well as clean water, pure air, more outdoor recreation, and a more wholesome and beautiful environment.

To stimulate more effective local leadership in conservation through State and local governments, by soil and water conservation districts and other conservation groups, and by the owners of large and small timber holdings.

In view of current resource problems, USDA's evolving conservation policies and goals relate to the following major objectives:

Upgrading the quality of the environment.

Strengthening the economy and standards of living in rural America.

Helping to find solutions to America's water problems.

Obtaining greater benefits from our forest lands.

Providing creative opportunities for outdoor recreation.

Widening public awareness and involvement in resource conservation.

Helping other nations solve their resource problems.

UPGRADE THE QUALITY OF THE ENVIRONMENT. The Department of Agriculture intends that the rural environments provide greater opportunity for people to become creative and industrious. A people rich in natural resources and surrounded by natural beauty has every right to expect a quality of living commensurate with that richness.

USDA will direct attention to modifying resource use to avoid impairment of the environment and to repair damage already done. Thus, pure water, clean air, plentiful wildlife, natural beauty, and more productive forests, grasslands, and croplands will increasingly be among the standards that govern our activities. Instead of letting technology dictate the pattern of rural living, we intend to harness technology to enhance the quality of rural environment. We will fight blight and pollution in the countryside. Across the entire spectrum of human and material resources we will seek to enrich our farm and forest regions. Rural America can be synonymous with an environment for good living.

Natural resources comprise the basis for an environment in which the American people and the national culture must survive and improve. Nature knows no man-made boundary lines. Big cities are getting bigger, and so are their problems. USDA can assist cities in meeting their environmental problems through agriculture-based technical knowledge. Although an attractive countryside cannot be more than a partial answer to the need to upgrade the quality of man's environment, the space for growth is in rural America. Through conservation and development of natural resources, rural areas can be ideal sites for communities of tomorrow in which the desecration of natural beauty and the ill effects of urban sprawl will be unknown.

Therefore, it is USDA policy:

To assist in creating new opportunities to make agriculture and rural living more attractive and rewarding.

To cooperate with urban and rural agencies and organizations in working toward a better and more beautiful total environment for all.

To deal with soil, water, plants, and wildlife as interrelated resources.

To make every effort to combat the pollution of air, soil, and water, and all other factors contributing to the deterioration of man's environment.

To implement the foregoing policies, USDA will work toward the following goals:

Extending erosion control, landscaping, and enhancement of natural beauty as standards in the construction and maintenance of all roads and highways.

Accelerating research that will help achieve specific reductions in air and water pollution.

Making technical services and guidelines available to county and municipal governments to aid in proper site selection and erosion control in suburban construction.

Helping to rehabilitate old strip-mine scars and establishing conservation and land-restoration practices as standards in surface operations.

Achieving erosion control and reducing sediment damage on the two-thirds of the privately owned lands not yet adequately treated.

Modifying, where necessary, resource use to prevent impairment of the environment.





2. STRENGTHEN THE ECONOMY AND STANDARDS OF LIVING IN RURAL AMERICA. The American countryside, with its space and vast renewable resources, challenges the Department of Agriculture to move vigorously in bold new directions. We are ready to meet this challenge on many fronts.

Land owners and operators control use of natural resources in our democracy. USDA has the basic tools, the technology, the data, and the experience to help them in planning this use. Effective management must begin with each piece of rural land and must be based on knowledge of the specific needs and capability of each tract.

USDA will help rural areas share more fully in the benefits that they give to the Nation. We will strengthen and enlarge programs to stabilize soil, increase productivity, and reduce pollution. We will continue to seek new products from farm and forest to be processed by local industries.

Increasingly complex demands are being made upon all available resources by our dynamic society, resulting in rapid transformation of the rural countryside to accommodate dramatic national growth. We will seek to channel this growth into the jobs and economic stability so urgently needed in many rural areas. We expect to make full use of education, training, and work programs in promoting meaningful employment of the disadvantaged and rural poor in conservation programs and in resource-based industries.

Local initiative, combined with technical assistance and cooperation, is the key to assuring that rural resources contribute their full measure for the benefit of all the people.

Therefore, it is USDA policy:

To continue to encourage and assist land owners and operators in developing conservation plans adapted to appropriate uses of soil and water resources.

To help blend public and private lands in productive and efficient operational units.

To assist land owners and operators financially where necessary to encourage the installation of needed conservation measures.

To find and perfect through research those resource management techniques that will permit increased production without damage to the land resource.

To work through States and through local organizations, such as soil and water conservation districts, in assisting people who own and work and live on the land.

To help communities to become more stable through sustained yield management of natural resources, including those on National Forests.

To implement these policies, USDA will work toward the following goals:

Getting resource conservation firmly recognized and used as the cornerstone of rural community development.

Initiating a national rural fire defense program.

Establishing a continuous review, using computerized programs, of the availability of land, water, and forest resources to meet national needs.

Completing and publishing basic information on all the Nation's soils as a base for intelligent land use determinations.

Expanding employment opportunities and training the people needed to develop and utilize natural resources most effectively.

Initiating programs that organize forest resource production and use around model communities.

Developing interpretations of soil suitability for various uses and making these available for community development and for local, regional, and national planning.

Completing treatment and shaping of all the land suited for crops to reduce soil and water losses and accommodate modern machinery; and achieving maximum conservation on forest, range, and other noncultivated lands.

Maintaining or improving the productivity of crop, pasture, and range lands.

Relating all Federal land and water programs that involve cost-sharing and grant-in-aid to sound conservation plans.

HELP FIND SOLUTIONS TO AMERICA'S WATER PROBLEMS. Soil erosion is the most damaging factor in the degradation of the Nation's water resources. Yet, erosion is a problem that yields readily to present conservation knowledge. The lack of erosion control on road and highway rights-of-way is costly and often a hazard to public safety. Eroding streambanks and unstabilized strip-mine spoils produce pollutants that degrade water quality and blemish the countryside.

Experience has proved that most watershed problems are unique to local communities, and their solution must be achieved by project activities involving private and public investments. The project approach to watershed protection and development has proved to have the flexibility and effectiveness needed to meet problems of local communities. The National Forests as well as farm and ranch lands in private ownership are vital watersheds for the Nation.

Water conservation is essential to the economic productivity of any region. On a broad scale, river basin planning—an interdepartmental responsibility—has proved its worth in determining how the rising demands for water can be provided for by developing water and related land resources within a region. Watershed development, management, and protection and river basin planning are a major part of USDA responsibilities in conservation matters.

Therefore, it is USDA policy:

To plan for resource conservation and development on watersheds and river basins, as well as on individual properties.

To pursue aggressively, in cooperation with appropriate Federal, State, and local agencies, the development of planned watershed programs adequate to meet water needs to the year 2000 and beyond.

To help establish effective erosion-control measures on roads and highways and along stream channels, as well as on farm and forest lands.

To assist with the stabilization of strip-mine spoils and the prevention of acid drainage from deep mines.

To stimulate the adoption of appropriate watershed conservation measures wherever needed.

To expand and expedite watershed research and related studies.

To work with local leaders in adapting programs to community needs through soil and water conservation districts, resource conservation and development projects, grazing associations, drainage districts, and similar local groups.

To improve the hydrologic conditions on forest and range lands in the National Forest System as rapidly as possible and to recognize water needs in planning other resource uses.

To implement these policies, USDA will work toward the following goals:

Making water quality, as well as flood prevention and water supply, a purpose of all watershed programs.

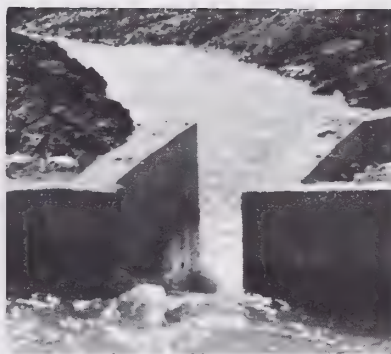
Eliminating major flood threats in some 6,000 small watersheds.

Doubling water efficiency by improving irrigation techniques from water supply source to place of use.

Establishing standby irrigation systems for farms in the critical production areas of humid regions.

Eliminating sediment pollution from all streams and reservoirs, and from all National Forest lands.

Planning and developing all major river basins on an orderly basis in relation to the needs of all people.





4. OBTAIN GREATER BENEFITS FROM OUR FOREST LAND. The Nation could never have achieved greatness without the continuous and abundant supply of wood that has supported its efforts since the earliest times. The expanding economy will continue to need a dependable and sufficient supply of this versatile raw material. Without diminishing our potential to enjoy the forests for other uses, we need to take the steps necessary to assure adequate timber supplies for the years ahead. Because of the time required to produce timber crops, we must make special efforts now to get the Nation's forest land in shape to meet projected requirements for wood. Benefits from this productivity will extend from the rural areas that grow and process forest crops to the metropolitan centers that need these products for a thousand uses.

Therefore, it is USDA policy:

To produce enough timber to meet our expanding domestic needs in the year 2000 and beyond and to strengthen our economy through increased exports of forest products.

To intensify research programs that will support and advance the wise use of all forest and related resources throughout rural America.

To intensify protection, management, and development of National Forest System resources so they contribute fully to local and national economies as sources of water and timber for industry, as a base for tourism through recreation and wildlife, as grazing lands for livestock, and as esthetic attractions.

To develop and expand cooperative forestry programs that will insure the protection, development, and management of privately owned forest lands at levels which will help meet the Nation's expanding needs for consumer products, contribute maximum benefits to people and communities, and create an environment enhanced by the beauty and stability of forested watersheds.

To evaluate periodically projected trends in the supply and demand for timber as a long-range planning service for the Nation.

To implement these policies, USDA will work toward the following goals:

Completing the basic development of the National Forest System, including roads and trails, and keeping additional development current with changing needs.

Rounding out the National Forest System through land purchase and exchange to provide more efficiently the public services and benefits that will be required.

Safeguarding rare and endangered species of animals, plants, and fish through habitat improvement and appropriate resource management practices in cooperation with State governments and other organizations.

Attaining optimum productivity on National Forest rangeland and National Grasslands through rehabilitation, development, and intensive management.

Establishing a forest conservation program to help close the forecasted timber supply gap and meet other demands by increasing the rate of forestry accomplishment on private lands within the framework of multiple use management plans developed for each ownership.

Intensifying the protection of privately owned forest lands from fires, insects, and diseases to safeguard the multiple values of forests.

Increasing financial and technical assistance to the States for the production and distribution of genetically improved seed and tree seedlings.

Providing stepped-up forest products utilization and marketing assistance services to improve product quality, encourage fabrication of new products, and increase production and distribution efficiency thereby improving the relative position of forest products in the marketplace.

Establishing an urban forestry program designed to achieve maximum benefits from trees and shrubs in maintaining or improving the environment of cities and suburbs.

Developing a research capability sufficient to lead and support the full range of forestry activities throughout the Nation.

Expanding the dissemination of forestry research information to reduce the time lag in the application of research findings on private lands.

PROVIDE CREATIVE OPPORTUNITIES FOR OUTDOOR RECREATION. A primary function of USDA is to assist in developing more outdoor recreation enterprises in rural America through wise use of privately owned natural resources, risk capital, and initiative. To carry out this function adequately will require strengthening existing USDA programs through new authorization to extend research, technical, educational, and financial assistance commensurate with the increasing need for these services.

Forested America, especially, must continue to play a major role in furnishing outdoor recreation opportunities to meet the growing demands of an affluent, mobile, and active public. Natural beauty and wilderness are among the finest attractions of forest lands; the trees, meadows, and waters of the forest are the natural home of big game species, small mammals, birds, and fish. This habitat will be improved by our intensified efforts. We are going to provide for both variety and quantity of recreation activities on the National Forests and National Grasslands.

We will seek to guide recreation development of forest lands along sound lines, so that they will both serve the public and strengthen rural economies. We are going to promote appreciation of our natural wonders, so that people from the cities and from abroad will visit, admire, come to understand our great outdoor heritage, and help to maintain it.

Therefore, it is USDA policy:

To assure balance in outdoor recreation through comprehensive planning and development by the public and private sectors.

To supply technical and financial assistance and information to stimulate development of privately owned recreational resources on a profit-making basis and thus help meet the recreation needs of the community, State, and Nation.

To encourage private endeavor, individual initiative, and leadership among rural groups and organizations in the development of rural recreation enterprises to improve communities and enhance rural living.

To provide guidance and necessary assistance in conducting inventories of land, water, and related resources to determine their full potential for outdoor recreation development and to work with the Bureau of Outdoor Recreation in the comprehensive planning and followup needed to realize that potential.

To fully utilize National Forest resources in meeting recreational demands through multiple-use planning and management, coordination with the private sector, protection of wilderness values, and responsive facility development.

To work closely with State and Federal fish and game agencies in providing the habitat needed by fish and wildlife and to help meet increasing hunting and fishing pressures.

To implement these policies, USDA will work toward the following goals:

Assisting in the development of widespread recreation opportunities on farm and ranch lands, and adequately cataloging and publicizing them.

Seeking establishment of recreational developments in connection with each watershed project carried out with public assistance.

Completing establishment of the National Forest portion of the National Wilderness Preservation System at the earliest feasible date.

Tripling the present "persons at one time" capacity of the National Forest System's recreation facilities to keep pace with the upward trend of recreation use.

On the National Forests, providing major segments of the proposed Scenic Rivers, National Trail System, Scenic Highways, and related programs designed to enhance the cultural and esthetic values of the land.





6. EXPAND PUBLIC AWARENESS AND INVOLVEMENT IN RESOURCE CONSERVATION. Our land and water remain constant while our population and its needs multiply. As the per capita share declines, each body of water and each renewable resource must be used for more than one purpose—and must not be destroyed. We are reaching the point in time when planning the use of all resources becomes an imperative need. An urgent task now is to identify the land that can best produce our food and fiber and meet other needs with the highest degree of efficiency.

Public concern with resource conservation is increasing. This calls for intensified conservation planning at each level of government to better protect the productive land base and to improve all soil, water, forest, range, and related resources. In doing this, attention will be directed to the needs of the American people for an enhanced natural environment.

Responsibility for the wise use of resources is a part of the heritage that reposes with each new generation. Acceptance of this responsibility by a knowledgeable and capable public is a continuing need in the interest of the public welfare and security.

Therefore, it is USDA policy:

To create opportunities for personal involvement in conservation.

To help Americans achieve greater benefits from their resources by helping them put their land to the combination of uses for which it is best suited.

To encourage the application of scientific information in making intelligent and effective land use decisions.

To encourage public discussion of legislative and administrative improvements at all government levels to speed conservation accomplishments.

To encourage State and local governments to take an increasingly active role in conservation assistance programs.

To encourage and assist all elements of the Nation's educational system in teaching conservation principles as an integral part of good citizenship.

To implement these policies, USDA will work toward the following goals:

Making resource conservation education an integral part of all elementary and secondary school curricula.

Developing a public awareness of conservation needs sufficient to achieve individual involvement by all Americans.

Establishing conservation showcases in each State, for purposes of conservation education.

Establishing outdoor conservation classrooms in selected Ranger Districts throughout the National Forest System.

Publicizing more widely facts about the land and current conservation needs.

Providing soils information in every community to help public agencies determine desirable land use.

Developing through appropriate State and private organizations an awareness of the need for greater financial participation in conservation programs by State and local government.

HELP OTHER NATIONS SOLVE THEIR RESOURCE PROBLEMS. Through the work of the Department of Agriculture, the United States has become the acknowledged world leader in agriculture. In the face of rising world populations and the problems of developing nations, we have an obligation to share both our knowledge and abundance to prevent human suffering. Our ultimate objective is to help every nation better meet its needs for food. We will redouble our efforts to extend technical assistance to those nations that can and will intensify and redirect their own efforts. The conservation of renewable natural resources, the stabilization of soil, the development of water supplies, and the improvement of nature's bounty, all are building blocks toward national stability and international peace. We will use new knowledge and new efforts to unite the world.

Therefore, it is USDA policy:

To provide competent technical personnel and leadership to help developing nations by sharing our experience and knowledge in the field of natural resource development and management.

To implement this policy, USDA will work toward the following goals:

Providing a continuing corps of specially trained professional leaders to furnish technical assistance to other countries.

Establishing an International Institute of Agriculture and Forestry.



"This document seeks to set down in sharp outline new conservation policies and the path to their implementation which each of the diverse Agencies that make up the U. S. Department of Agriculture is dedicated."—Orville Freeman, Secretary of Agriculture.

AGRICULTURAL RESEARCH SERVICE (ARS) uses many scientific disciplines on solving the problems conserving this Nation's resources. This research encompasses soil and water and the total environment in which we live and work and play.

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE (ASCS) administers programs designed to adjust resource use to avoid unneeded production while assuring adequate supplies of food and fiber; shares with farmers the cost of establishing needed soil, water, forest, and wildlife conservation practices; and, through Greenspan, helps local governments to acquire land for open space, natural beauty, wildlife habitat, recreation, and prevention of pollution.

OPERATIVE STATE RESEARCH SERVICE (OSRS) works with State agricultural experiment stations to conduct research on all facets of natural resources conservation. The broad objectives are to develop, conserve, and use renewable resources for the best interests of the public in accord with present and future needs.

ECONOMIC RESEARCH SERVICE (ERS) studies the economic use of land and water resources, the impact of urban and industrial expansion on agriculture, land tenure problems, and legal-economic aspects of land and water. ERS conducts research to help formulate comprehensive river basin plans and programs; watershed planning, development, and management programs; and resource conservation projects.

RURAL COOPERATIVE SERVICE (FCS) helps rural people develop cooperative forestry and recreation enterprises and thus add to their incomes. FCS prepares special publications, sponsors and participates in workshops, and gives specific help to many groups who use or are considering using cooperatives to conserve resources and improve their own living.

FARMERS HOME ADMINISTRATION (FHA) provides supervised credit to farmers to help them to use conservation practices and bring about needed shifts in land use. FHA also provides financial help to rural communities to develop modern water and waste disposal systems and to make comprehensive plans for these types of community facilities. Credit is also extended to farmers and groups of rural people to develop land and water resources into recreation areas.

FEDERAL EXTENSION SERVICE and STATE COOPERATIVE EXTENSION SERVICES (FES and CES) conduct educational programs for rural people to meet the needs for and techniques of natural resource management; provide educational support to government agencies whose programs are aimed at environmental improvement; and encourage and assist rural communities, civic groups, and other citizen committees to include conservation projects in their programs that will enable ours and succeeding generations to enhance their environment and obtain maximum benefits from it.

FOREST SERVICE (FS) carries on three major conservation programs—broad-scale forestry research, cooperative assistance to States and private forest owners, and management and development of 187 million acres of National Forests and National Grasslands.

INTERNATIONAL AGRICULTURAL DEVELOPMENT SERVICE (IADS) coordinates USDA's efforts in the War on Hunger. Conservation of natural resources is an essential weapon in helping the world's farmers to grow more food. USDA technicians work in more than a dozen countries, providing technical help on resource development, conservation, and use. Each year, almost 100 agriculturists from developing countries study conservation in USDA. These international conservation programs are sponsored by the Agency for International Development.

RURAL COMMUNITY DEVELOPMENT SERVICE (RCDS) works with all Federal Conservation Agencies at the national level to see that rural people get the help they need to plan and apply sound conservation practices.

RURAL ELECTRIFICATION ADMINISTRATION (REA) makes loans to cooperatives and other organizations to provide rural electric and telephone service. These services are essential to efficient farming and to the economic and social improvement of rural life. Electricity for pressure water systems permits more efficient water use while preserving and protecting water resources. Rural electric and telephone services make rural recreation facilities more attractive.

SOIL CONSERVATION SERVICE (SCS) is the technical action arm of USDA for soil and water conservation on privately owned lands. Working principally through locally organized soil and water conservation districts, SCS provides to individual landowners, groups, and communities basic resource data and on-the-land services to help solve land and water problems associated with agriculture, outdoor recreation, rural areas development, and rural-urban fringe transition.

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Testimony of the Honorable Secretary of Agriculture
Orville L. Freeman
Before the Rural Development Subcommittee
of the House Agriculture Committee,
Tuesday, June 6, 1967, 10 a.m.

The slides you have viewed testify that a coordinated governmental and private sector effort in the war on rural poverty and the campaign to raise the quality of living in rural America can be effective.

I think you'll agree that they tell a dramatic story of what can be done when available weapons are used with maximum impact. But in the very telling of that story there is implicit the fact that in many rural communities circumstances combine to frustrate effective mobilization and coordination of effort.

PROGRESS

Nevertheless, since the close of World War II heartening progress has been made in building a healthier rural America.

Today the rural scene in a number of areas is characterized by a highly efficient agriculture, the continuing growth of small and large industrial facilities, and the development of improved public institutions -- schools, hospitals, and service agencies increasingly comparable with those of urban America.

Under Presidents Kennedy and Johnson, this progress has accelerated. It is already apparent that the programs developed in the past $6\frac{1}{2}$ years can help rural people gain their rightful share of the fruits of this nation's remarkable progress, and can help restore rural-urban balance.

A partial list of the measures creating such programs would include: The Food and Agriculture Acts of 1962 and 1965, the Rural Water Systems and Sanitation Act, the Housing and Urban Development Act, the Appalachian Regional

Development Act, the Manpower Training and Development Act, the Elementary and Secondary Education Act, the Public Works and Economic Development Act, and the Economic Opportunity Act.

These measures -- and new programs of community-wide renewal and conservation and development -- are providing important new public and private initiatives that can have a positive influence on the future course of rural development.

In the course of these hearings, you will hear how some of these programs are being put to use in rural areas. You will be impressed -- as I am -- for the breakthroughs in some areas -- under the impact of these programs -- have been gratifying and exciting.

But all is not rosy in the countryside. Quite the contrary.

The progress thus far encourages us, but we have only begun the rural renaissance America needs.

It is my duty and responsibility under a charge I shall discuss in a few moments to keep progress and challenge in proper perspective ... to caution against complacency ... to solicit your support and cooperation in an inspired, ongoing effort to wipe out poverty in rural America and to elevate the quality of living in the countryside to that of the country as a whole.

POVERTY PERSISTS

In far too many rural communities -- concentrated particularly in certain sections -- the scene is still marked more by poverty than by progress and more by stagnation than by dynamism.

I need not cite the grim statistics. You know, as I know, that the quantity and the quality of rural education, job training and placement, health, housing, welfare assistance, industrial promotion, and government services fall far short of similar efforts in urban complexes.

You know that incomes of rural people are far below the national average ... that underemployment is commonplace there ... that a relatively high proportion of rural people are seriously handicapped in their attempts to escape poverty's grip by age, lack of education, and physical problems. And I'm sure this committee is all too aware that while only a third of our people live in rural areas -- half our poverty is there.

Why is this? How can this be, in the midst of the longest uninterrupted prosperity in this nation's history?

RURAL-URBAN IMBALANCE

In my judgment, this is so because our nation -- for want of policy -- has allowed itself to stumble aboard an ecological carousel that has spun itself out of sociologic and economic balance.

This wheel of misfortune first whirled opportunity out of the countryside -- and didn't replace it in time. The second, and many subsequent, turns swept up millions of rural people and spun them off into cities.

At first this was a healthy trend. The technological revolution changed our society from pastoral to industrial, and as fewer and fewer people were needed on farms, in logging camps, and mines, they were freed to go to the cities to help build the commercial and industrial complexes that were a key factor in the development of our powerful national economy.

But then the pendulum overswung. Today 70 percent of our people are jammed onto 1 percent of our land, while only 3 out of 10 people live on the remaining 99 percent.

And the outmigration from the countryside continues.

Each year another 3 million Americans shoulder their way into our already overcrowded cities. It is estimated that by the year 2000 no less than 174 million will live in super cities concentrated in five small areas of the country -- if current trends continue.

And without an alternative, this trend will continue. The inexorable nature of the technological revolution is such that fewer and fewer family farmers will be needed to feed more of us in the future. Without a job and equal opportunity for a decent life in the countryside, where else can the displaced farmer go?

Most Americans are well aware of the massive problems this population shift has created in our cities. But all too few are aware of the equally painful impact this has on the towns and small cities of the countryside.

Loss of people means loss of customers. Loss of customers means less business on Main Street. When this happens, the tax base to support roads, schools, and other public service declines or, at best, fails to keep pace with the increased costs of providing such services. In many small communities there are now too few people to support the business establishments, medical, dental, and other professions, churches, and the civic institutions essential for adequate living.

This is why half of our poverty exists in the countryside -- where only 30 percent of our people live. And this is why the quality of life in rural America fails to measure up to the urban norm.

As long as this situation exists, the carousel of imbalance will keep on spinning ... for lack of opportunity -- and disillusion and frustration -- will continue to drive an increasing swell of humanity into our metropolitan centers.

I believe it is time we put a price tag on the ghettos of the central cities -- and the miseries they spawn -- and on a decimated countryside bereft of leadership as well as opportunity.

I believe it is time we measure the social costs of not having a national policy of rural-urban balance and parity of opportunity across the nation.

I believe we can use the space and resources of the countryside to make possible a better life for all Americans.

There are no quick panaceas for the ills of either urban or rural America. Stopping the influx of country people into the big cities won't cure the cities' problems overnight. But just as surely, the cities will never completely solve the dilemma of too many people for too little space and too many problems for too few solutions until the influx is slowed, stopped, and perhaps even reversed.

I have never advocated the depopulation of the cities or the theft of jobs from those cities. What I have urged -- and continue

to urge -- is an economic revitalization of rural America sparked by public and private sector efforts to create a countryside appealing, convenient and accomodating enough to attract new industries, new businesses, and new jobs.

If we can do that, we can hold the people already in the countryside. This would permit city officials to attack the problems of civil unrest, crime, urban flight, and inner city decay, without having gains undercut by a constant influx of newcomers into the slum area.

Rural America can be revitalized. We have the resources and the programs. Congress has provided more than 200 different program authorizations that can help local communities, individuals and groups in rural areas. The challenge is to put those programs to use as quickly and effectively as possible.

THE PROBLEMS

It will not be easy. But nothing worthwhile is. So let me first point out some of the problems that must be surmounted if we are ever to lift rural America into its proper place in the economic sun.

First of all, an adequate percentage of Federal assistance -- only 20 to 25 percent -- is going into the countryside ... where half our poor live.

There are reasons for this, and not the least are local road-blocks. Let me cite a few:

Rural areas are scattered and communication is difficult. Trained rural planners are few in number, but so many rural governments are so small and poorly financed they can't afford to hire the planners that are available.

Rural government is frequently part-time. The mayor is often a business or professional man who can devote only a few hours a month to his governing duties.

Without full-time officials and without trained planners, many rural communities are left unaware of the Federal assistance available to them, or do not know how to apply even when they know it exists.

Some Federal programs are tied to funding by the States and are delayed by the lags that take place in the appropriation process at the State capitol. The majority of State legislatures do not meet every year. This means a wait for all of the funding needed to put a program into effect.

Outmoded state laws sometimes make it difficult to achieve the full benefit of Federal programs, and many local groups are also hampered by outdated zoning and building regulations, by town and community charters that restrict innovative planning and development, and by failure to achieve proper financing because bond issues do not pass.

And there is another problem. Some local communities are prejudiced against Federal assistance. In some cases non-compliance with civil rights procedures has restricted the acceptance and use of Federal programs.

THE CHALLENGE

Facing up to the challenge and recognizing all these problems, the President last fall acted to streamline, clarify and coordinate rural development efforts on the Federal level. In a series of executive orders, he placed coordinating responsibility for these efforts with the Secretary of Agriculture.

The President has directed me and the Director of the Budget Bureau to review all existing programs with Cabinet and other Federal officials to insure that rural areas receive an equitable share of existing Federal program benefits, and to submit proposals for administrative or legislative changes needed to obtain such equity.

And he assigned responsibility for cooperation in agricultural and rural development within the Federal establishment to the Secretary of Agriculture, with a view toward better coordination and elimination of duplication.

I have undertaken to carry out these directives with enthusiasm and determination. The United States Department of Agriculture's responsibilities embrace the entire rural community -- as well as the producing farmer.

The USDA's Rural Community Development Service staff in Washington is charged with the responsibility of working with other Departments and agencies to assure that as many of the available Federal programs as possible reach rural communities.

To facilitate this, interdepartmental Technical Action Panels, made up of the senior Federal technical specialists and state and local

specialists have been established in each state, county or multi-county area. These Panels are chaired by Farmers Home Administration fieldmen, and the educational and organizational responsibilities are assigned to County Extension agents.

The Panels work with multi-county and single county rural areas development committees and with state-wide committees, civic organizations, and local governments.

Their function -- called "Outreach" -- is to provide local development committees with trained, professional personnel, to provide a pipeline through which local people can channel development plans to the Federal level, and to closely coordinate USDA programs in each area.

The RCDS among other things:

- * Has developed a master listing of Federal programs and services available to rural areas for guidance at Federal, State and local levels of the Department of Agriculture;

- * Is working to develop "model" applications for the various programs to cut down on the duplication of effort and complexity of filing for Federal assistance by local groups;

- * Takes initiative in working out Federal interdepartmental agreements with agencies such as OEO, Small Business, HEW, EDA and HUD, for example, to provide greater impact of programs in non-metropolitan areas;

- * Takes the leadership in coordination efforts such as the Federal Government is now making with Governors and mayors;

- * Advises and consults with all Federal Departments and agencies on legislative proposals and administrative actions affecting rural needs;

- * Represents the USDA on nearly two score of interdepartmental and interagency task forces directed at improving and modernizing Federal programs for rural areas, including a special task force with the Bureau of the Budget, on this same subject;

- * Develops training programs to bring together representatives of the various departments and agencies, together with local groups and individuals, to bring about a better understanding of joint responsibilities, authorities and ways and means of meeting needs;

- * Assists the Secretary of Agriculture in carrying out his responsibilities under Executive Order 11307.

And there are other ongoing efforts. The President's National Advisory Commission on Rural Poverty is nearing completion of its year-long study, the results of which should guide the improved use of Federal programs to aid the needy.

If the President's proposal for a new Assistant Director of OEO for rural areas is approved, this will mean expansion of the already excellent job OEO is doing in rural areas.

States and local communities are also accelerating their efforts. Most Governors have now appointed a member of their immediate staff to be responsible for coordinating Federal programs at the State level.

And I am impressed by the Congress's awareness of the importance of rural development. The fact that this subcommittee is holding these hearings is clear evidence of this.

Mr. Chairman, these examples of efforts to build on successes already achieved and to deal with some of the problems I have outlined are helping the nation along on the road to victory in the war on poverty, to a revitalized countryside, and to restoration of urban-rural balance. But the road ahead is long, and it has pot holes, bumps and detours.

The Secretary of Agriculture and the USDA have the prime responsibility for reading the map and navigating the journey, but we need a united effort -- with full cooperation and coordination at the Federal, State and local levels -- to make certain we travel that road with the least possible delays.

Today, I ask you -- as members of the key subcommittee in this effort -- for your wholehearted cooperation and support. Your counsel and guidance and your leadership are of crucial importance.

USDA PROGRAMS

Now let me quickly review for you some of the specific USDA rural development programs aimed at creating new jobs and increased economic activity in the countryside.

The USDA's first responsibility remains agriculture, of course, and today's emphasis on total rural development should not obscure that fact.

With some exceptions, American agriculture is still healthy and vigorous. Last year gross farm income and net per farm income set all-time records, and total net farm income was the second highest in history. Another new record was set in farm exports. Supply and demand were

nearer in balance than they have been in half a century, and the market was freer than it has been in 30 years. But the striking progress made in 1966 is only a strong beginning.

So long as farm prices are lower than 20 years ago, while the prices farmers pay are up one third, the farmer's position is unsatisfactory. Increased productivity alone, without better prices, won't keep American family farms operating efficiently much longer.

The New Era farm programs have maintained price stability in the basic commodities and seem to be working quite well. But the non-basics, particularly the perishables, have suffered some serious price fluctuation in recent months.

Prices now seem to be heading up again as the oversupply situation eases, but this encouraging development has not lessened our determination to explore every means of assisting farmers to develop the kind of bargaining power they need to avoid those price level peaks and valleys. A national dialogue is underway examining how we can accomplish a working supply-demand balance in the non-basic commodities as we appear to have done successfully in the storables under the New Era programs.

But this is neither the time nor the occasion to discuss farm progress and farm programs. Our concern today is for the farmer who can no longer earn an adequate living from the land -- because of conditions or circumstances frequently beyond his control -- and for those other rural people that technological advance and marketing change have left economically stranded.

JOBS IN RURAL AMERICA

Is forced migration to the cities the only answer for these people?

No. There is another answer. Jobs in the countryside. Jobs for the small farmer, the displaced farmer, the underemployed worker.

The question is: How do we bring those jobs to the countryside?

To stop the outmigration, it is estimated that we will need 555,000 new jobs a year in rural America, or in cities within easy commuting distance of rural areas. This means a business investment of \$5.5 billion a year. Most of this money must come from private industry and of course the investor must have sound economic reasons for locating in rural areas.

Some of the advantages of rural industrial location are obvious: abundant space, moderate land costs, easy commuting, clean air, plenty of water, an eager labor pool, a welcoming community, and, in many instances, adequate transportation and communication facilities.

But industry needs more specific incentives to break the traditional attitude about location.

I have recommended a serious study of possible tax incentives to encourage location of plants and facilities in rural areas. I have also suggested a review of the policy of awarding government contracts and of building public facilities as another possible means of dispersing people and opportunity to smaller communities whenever feasible.

As yet we have neither. But we do have other tools to build a rural America that will attract industry and jobs.

We know that without an industrial tax base, many individual rural communities cannot afford the adequate resource planning, utility systems, educational systems, health facilities, community facilities, recreation and cultural opportunities that industry seeking a new location wants.

The circle can be endlessly self-defeating. Communities that need industry cannot afford to provide industry with what industry needs.

But we know now -- as we have seen in the Little River showcase -- that all levels of government, working together with the private sector, can overcome this problem.

We know that a group of neighboring counties -- bound together by traditional trade patterns -- can pool their skills and resources to develop a multi-county unit that can, with planning and program assistance, develop the accommodations, facilities and services that are attractive to industry. The USDA, HUD and EDA are all working to encourage adoption of the multi-county approach wherever it is feasible.

Planning is paramount in the development of such units, however, and up to now this has been difficult without supporting legislation that would provide professional counsel and assist in funding. Now before the Congress is a measure that would make it possible for the Federal Government to assist multi-county development planning. I speak of the proposed amendment to Section 701 of the Housing Act, contained in H.R. 8068 and introduced by the Honorable Wright Patman.

Once a multi-county unit has been developed, its resources cataloged, and its needs determined, the many programs of the many Departments and agencies of the Federal government can be brought to bear on the total problem of economic development with much more dispatch and efficiency.

But even while we await the full-fledged development of multi-county units throughout the nation, the USDA is continuing to serve the cause of rural development with a number of programs aimed at increasing jobs and economic opportunity.

COMMUNITY FACILITIES AND SERVICES

This year alone, the Farmers Home Administration will finance about \$282 million in loans and \$24 million in grants for the construction or improvement of approximately 1,700 central water or waste disposal systems and will provide approximately \$4.5 million for 300 planning grants for community water and sewer systems. FHA will also finance approximately 200 community-sponsored rural recreation centers with about \$29 million in loan funds.

The Rural Electrification Administration will provide \$353 million in financing for rural electric co-ops in fiscal 1967. and an additional \$101 million for rural telephone facilities. REA will continue to work with its more than 1,900 rural electric and telephone borrowers to help them stimulate economic development in the 2,700 counties in which they now serve, and the bulk of this assistance will be directed toward creating new industries and businesses in rural areas.

RECREATION

Another positive influence in sparking economic activity and creating new jobs in rural America is the growing need for outdoor recreation. The USDA estimates that 200,000 full time jobs could be created in our small cities and open countryside by 1980 if we are to meet the expanding public demand for outdoor fun.

What are USDA agencies doing to meet this need and help create new jobs? During 1967, our Soil Conservation Service expects to provide technical help to an additional 20,000 land owners and operations in the establishment of income-producing recreation enterprises, and expects to provide the following community facilities through its Watershed Protection and Flood Prevention Program: 1. approve the construction of 170 recreation developments, providing 42,000 surface areas of water for swimming, fishing, hunting on 10 million annual visitor days of recreation; 2. approve an additional 60 projects with installations specifically for fish and wildlife programs.

The Forest Service, in 1967, expects to develop 295 additional recreation sites, provide opportunities to accommodate an anticipated 180 million visitor days of outdoor recreation in the National Forests -- an increase of 10 million over last year -- and develop existing National Recreation Areas administered by the Forest Service and some 40 key recreation sites as additional National Forest Service attractions.

It is difficult to determine with complete accuracy what these and other USDA programs mean in the way of job development. But in round figures they meant more than 700,000 jobs in 1965 and more than 800,000 jobs in 1966. This includes direct impact -- the jobs developed to carry out USDA projects -- and the indirect impact -- the creation of new jobs through economic development inspired by USDA projects.

Mr. Chairman, this is but a selective sampling of the efforts the USDA has been making and will continue to make to spearhead the campaign to build a vigorous new rural America.

The USDA recognizes its key role and its heavy responsibility in this campaign, and pledges its personnel and its resources to the task.

This nation is at a crucial moment of decision ... a moment when we must recognize once and for all that there are no exclusively urban problems, no exclusively rural problems. There are only national problems that require united efforts to bring about national solutions.

Once again, I thank you for the opportunity to appear before you ... and I earnestly solicit your advice, your help, and your encouragement in the monumental task we have before us.

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I am more than honored at receiving the Lutheran Brotherhood Distinguished Service Award tonight; I am also deeply appreciative. Because of the nature of his job, a Secretary of Agriculture generally receives more brickbats than accolades. At times he feels much like the shuttlecock in the middle of a badminton game ... with farmers on one side of the net, consumers on the other ... and both armed with big, strong rackets. So the award you have given me tonight takes on a special significance.

We also have something very much in common. I understand that in the life insurance profession, you receive some five "no's" for every "yes." I run into the same thing up on Capitol Hill!

I was up there the other day visiting a Congressman from Iowa and there on his wall hung the classic Grant Wood painting, "American Gothic." You know the one -- a stern Iowa farm couple, framed by a big, sharp pitchfork. And the Congressman said to me, "You know, Orville, whenever I look at that picture I think of you. You're the man on the sharp end of the pitchfork!"

Seriously, however, I'm not complaining. On the contrary, the U.S. Secretary of Agriculture has an opportunity for service, for making life more meaningful for people here in the United States and all over the world, that is deeply challenging and satisfying.

Remarks by Secretary of Agriculture Orville L. Freeman, Tuesday, June 13, 1967, at 7:30 p.m. (CDT), Minneapolis, Minnesota, upon receiving the 1967 Lutheran Brotherhood Distinguished Service Award.

I understand, and sympathize with the apprehensions farmers feel today. Great changes, unprecedented in history, are taking place in farming, and change hurts. It hurts even more when it is little understood, little appreciated. And so there is good reason for the way farm families feel today.

They number only 6 percent of the population, yet they feed more people, here and abroad, at lower cost, than twice their number did only a generation ago. But the farmer gets little thanks. Instead, the marvels he has wrought are largely taken for granted and his problems are little understood and of small concern to an America that is now 70 percent urbanized.

I wonder how many of us realize the extent of the productivity marvel we're witnessing today?

In 1966, one-third fewer people on farms ... harvesting one-ninth fewer acres ... produced one-fifth more food than 10 years earlier.

Productivity per man-hour has nearly doubled in the past 10 years and productivity per acre has increased 76 percent. Last year the American housewife spent only about 18 percent of the family's take home pay for food, the lowest percentage in the world. We ate more food, better food, than ever before -- and had enough left over to help feed 60 million people in India and millions more in other hungry lands.

This is the number one production miracle of all history!

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Despite this stellar performance, the rest of America has done poorly by the farmer. The average American earned \$2,618 per capita last year; the farmer only \$1,731 -- one-third less.

Compared with two decades ago, food prices in the supermarket are up one-third, but farm prices, at the fence line, are still where they were. But in the interim, prices of the things the farmer must buy to produce are up more than 30 percent. Without the extraordinary productivity increases mentioned earlier, the family farm could not have survived. Unfortunately, few people realize what has taken place, and this very disinterest is cause for deep concern among farmers.

By now you may be asking yourselves the question, "All of this is too bad, but what does it have to do with me?" The answer is -- plenty. Unless we correct this situation, unless we bring the farmer into the mainstream of American prosperity, the family farm system that has produced such abundance is in dire peril.

And so it's in all our interests -- farmer and consumer alike to preserve the family farm system, the most efficient in the world, and not to see it replaced by massive, monopoly agriculture. If this happens, the social and economic costs to the economy and fabric of this nation will far outweigh any dubious benefits.

You have a stake in preventing this; certainly the farmer does; and so, as we'll see in a minute, do the poorer nations around the world have a stake in maintaining a healthy American agriculture.

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Accomplishing this will take a great deal of public understanding of the very important decisions that lie ahead in the next few years. These decisions will affect you and every other American. For this reason, an understanding of the background that led up to them is important.

I won't recount all the twists and turns of agricultural policy over the past half-dozen years. Basically we have been concerned with the age-old problem in agriculture of too much supply for effective demand. Speaking very broadly, we can break the problem into two components; the storable, "basic" commodities, and the non-storable perishables.

In the basic commodities, with passage of the Food and Agriculture Act of 1965, our farm policy entered what I have often described as a "new era."

The agricultural marketplace is now freer of government intervention than it has been for 30 years, and nearer supply-demand balance than it has been for 50. Most of the programs are voluntary. Now -- for the first time in many years -- farmers are being asked to grow more rather than less.

The surpluses which spilled over the ground and clogged the railroad sidings during the fifties are gone. By the end of April 1967, Commodity Credit Corporation investment in farm commodities was down \$2.4 billion from the year before, and down nearly \$5 billion from the peak years of '56 and '59. We now spend about \$240 million less per

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year in storage costs than was the case five years ago. This helped the taxpayer and, it is important to note, didn't hurt the farmer. Prices of commodities in surplus moved up steadily as we worked them off, and so did farm income.

While total gross farm income was setting an all-time record last year, net farm income climbed to \$16.3 billion, the second highest in history, 40 percent higher than in 1960, and 15 percent over 1965. Realized net income per farm also set an all-time record at \$5,024 -- 19 percent higher than a year earlier and up 70 percent from 1960. Thus, we have made real progress in strengthening farm income.

The grains are indicative of what has happened in commodities covered by the new era programs. Supply and demand are in close balance. The May averages show wheat was 14 cents higher than a year ago; corn was up 4 cents, and both were substantially higher than in 1960 (including the wheat certificate). The latest June figures show wheat down from last year's speculative high. Corn is up slightly from the May average prices. Feed grains last year were our biggest single dollar-earner of any export, agricultural or industrial.

The surpluses-in-being in the basic commodities are gone, but the potential to build them again remains; hence the need for our programs remains.

The second component in the problem is the perishables, where too much supply for effective demand remains, and where most of today's price problems are concentrated. Where perishables are concerned there are no effective Government supply management payments.

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Hog marketings in May were about 4 percent higher than a year ago; prices were down in May about 7 percent. Beef production was up around 6 percent -- grain-fed cattle up 8 percent -- and cattle prices were down 5 percent. The same is true in many of the other perishables: Egg production in May was up 5, prices were off 13 percent; the orange crop this year is up 34 percent, prices are down 61 percent.

Purchase programs that channel temporary surpluses to the school lunch program and to the needy can deal with part of the oversupply problem -- this year we're obligating about \$170 million in purchases -- but can't do all the job.

A new departure is needed.

This is why I have encouraged a nationwide dialogue to discuss, review, and "brain storm" methods of gaining greater farm bargaining power for growers and raisers of these commodities.

The most discussed idea in this dialogue is a national farm bargaining board which could, after a vote of participating farmers, certify bargaining agents for producer groups, determine bargaining unit boundaries and terms of sale. Another idea is expansion and enhancement of marketing orders, which are now successful in certain commodities and geographical areas. The idea here is to allow farmers themselves to regulate production and bargain effectively with processors.

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If this can be done; if farmers can design and will support a "do-it-yourself" kit for greater muscle in the marketplace, they will be well on their way toward higher incomes in the non-program commodities which represent some 60 percent of total farm receipts.

If this can be done -- and no one should underestimate the political and legislative difficulties of doing it, then we will, I believe, be able to reach our goal of parity of income for the adequate-sized family farm; the nation will have the healthy and viable agriculture we all seek.

We have already seen why this is important to U.S. consumers. It is also important to two-and-a-half billion people in the developing world, for a healthy U.S. agriculture is the world's best "insurance" against famine. It is the world's outstanding example of an agriculture blessed with an over-capacity to feed its own people, rather than cursed with chronic under-production.

Here in Minnesota, where I was born and grew up, and spent some of the happiest years of my life, the problem of world hunger seems remote, almost unreal. Here we are blessed with abundance almost beyond belief, unimaginable to any generation that went before us.

Yet the fields of America and the health of American agriculture are bound, with ties far stronger than steel, to millions in this hemisphere and elsewhere who have been born, lived, and died with hunger as their constant companion.

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Centuries ago the Roman philosopher Seneca said, "A hungry people listens not to reason, nor cares for justice, nor is bent by prayer." He well could have described much of the world today, a world composed of the rich and the poor; the haves and have nots.

There are 900 million people in the "rich" countries (mainly Europe, including the USSR; North America, Oceania, and Japan). There are nearly 2.5 billion people in the "poor" countries, mainly in the Southern Hemisphere, but including mainland China.

In the rich countries, the average income per person is \$1,170 a year; in the poor countries \$110 a year -- one-fifteenth as much.

The gap between the richest and poorest nations in the two groups is much wider, of course, than the average. U.S. per capita income in 1960 was \$2,300 a year -- in India, only \$70 a year. Thus, the average American was 32 times richer than the average Indian.

Some, but not all, of this gap is the result of population pressure on available resources.

Most of us are familiar with the relentless statistics of the population explosion. In several less-developed countries, population is growing well above 3 percent a year, near the biological maximum. At this rate, population doubles within one generation and increases 18-fold in a single century.

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One example may serve to put this into terms easier to grasp. By the year 2000, about one billion minutes will have elapsed since the birth of Christ. Well before that, from now to the year 1985, we shall have added one billion more people to world population, most of them in the poorer nations.

The poorer nations have made valiant efforts to keep up with this population growth. They have increased the growth rate of agricultural productivity almost as fast as the developed nations. But still the gap yawns wider. Closing it is both a moral imperative and a deeply practical necessity.

The Bible tells us that we are our brother's keeper. This has long ceased to be just a philosophy; in this world it has become an actual fact.

The words of Isaiah, 8:21, live in the morning headlines: "And it shall come to pass, that when they shall be hungry, they shall fret themselves, and curse their king and their God."

It has come to pass. In the past decade, only one of the 27 "rich" nations has suffered a major war on its own territory. Yet 32 out of 38 of the poorest nations have known war on their own home ground.

And so, for both moral and practical reasons, closing the gap is imperative, both for us and the poorer nations. The sons of the rich and poor alike are hostages to world hunger.

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USDA projections show that if recent trends in food production and population growth are not changed, and if we were to attempt to provide the developing countries of the free world with enough food aid from the United States to meet even minimum caloric standards, our capacity to provide such food aid under present patterns and policies of agricultural production would be reached within 10 to 20 years.

Some projections were more pessimistic than others -- but all pointed irrevocably to one conclusion -- the absolute necessity of altering both the trends of food production and of population growth in the developing countries themselves, the former up, the latter down. The population trend must be altered downward. But even if this succeeds, it will not greatly change the need for food over the next 15 years. Remember, by 1985 there will be one billion more mouths to feed in the world. Thus, as I pointed out last year in my testimony on the Food for Freedom bill, the only answer lies in greatly accelerating food production in the hungry nations themselves.

The job ahead in both the developed and underdeveloped worlds is staggering, but I believe we are well on our way.

First, thanks in large part to organizations like Lutheran World Relief, Lutheran Brotherhood and others, there is widespread public support for closing the gap between rich and poor.

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Second, other developed nations realize they have a stake in closing the gap. Last year, several other developed nations joined with us in providing emergency aid to India. Last month, the European Economic Community nations and some other developed countries agreed to share, for a three-year period, the burden of providing concessional shipments to the developing nations.

But the big development job, of course, must be done in the hungry nations themselves, for it is here that the war on hunger will be won or lost.

The problem is much more complex than merely discovering new methods to increase food production, important as this is. Someone must take the new discoveries "down to the section lines," as our nationwide net of county agents does, and local farmers must be convinced that the new practices pay. This means farmers must be fairly rewarded; that their prices must be adequate to pay for new technology, which is not always the case now. Then, credit must be available at reasonable rates, farm-to-market transportation must be built, fertilizer plants have to be constructed and a whole new technology must be created. Educational institutions to train local agriculturists have to be established and a million-and-one other tasks need to be accomplished.

All of this will require some very hard and painful decisions by the leaders in the less developed nations. It means giving top priority to agriculture, and may mean foregoing more spectacular industrial developments. There are signs, however -- in India and elsewhere -- that the tough decisions are being made, the priorities established.

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Much more than in the past, this fact is recognized: There will be no economic progress without, first, agricultural progress. No country in the world, including the United States, has ever entered the economic take-off point unless and until it increased its agricultural productivity. As it was here and in other now-developed nations, so must it be in the "other" world.

This can't be done in a vacuum. If the War on Hunger is to be won, the developed world must give major assistance. So let's examine our role in insuring victory in the War on Hunger:

A lot of things need doing. We must be prepared to supply more trained agriculturists to the less developed world, to export our technology (adapted for local use) and to bring private enterprise increasingly to bear on solving world food needs. And we must be prepared to make wise use of concessional food shipments while we're doing all of this, a subject on which I would like to spend my remaining time here this evening.

We must be prepared -- and this is of the utmost importance -- to wisely program our food aid with the three-part purpose of: (1) feeding the hungry, (2) building local agriculture so that the hungry nations can eventually feed themselves, and (3) speeding economic development in the developing nations.

Doing all of this simultaneously is much more difficult than the single job of shipping surplus food to hungry people, laudable and necessary as this has been, and is.

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We must balance compassion with wisdom, knowing that, in view of past experience, too much food aid can cause a developing nation to neglect investing resources and talent in its own agriculture in an unhealthy dependence on "free" food. Too much imported food can depress local prices and undermine the very agricultural development that is vital for survival in the long run.

Food aid will be needed for a long time to come, and President Johnson has made it clear -- in repeated public statements -- that it will continue. Provision for it is written into the new Food for Peace bill. It is needed, and needed badly, to buy time while local agriculture develops. It is needed to "finance" the capital projects that have to be built in the developing world.

Now, contrasted to the past, this food aid must be programmed in advance, out of current production. Both the surpluses and the "surplus requirement" in P.L. 480 have vanished. This is a very different thing than sending "what's left over." It requires the most careful forward analyses of world weather, production outlooks and thousands of other factors determining both commercial and concessional yields and demand. Basic decisions must be made almost two years in advance.

Impact on domestic farm prices, which determine the basic health of our own agriculture have to be considered, as do effects on international commercial markets.

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And more than calories have to be considered. What kind of food aid we ship, as well as raw tonnage, is receiving increasing attention.

Malnutrition affects a majority of the children in the world, contributing, in all too many cases, to permanent physical and mental retardation of entire generations. For this reason we are shipping abroad new protein-enriched foods and devising new methods of fortifying grain shipments with protein and other needed nutrients. At the same time, in research labs, we're searching for, and developing, new strains of grain with high protein content.

So far we have discussed the impact of food aid on the developing world. Equally important is the impact of this aid on our own agriculture, for maintaining its health is vital to victory in the total war.

Just as the United States cannot, and should not, carry the whole burden of concessional aid to the developing world, neither should it bear the entire burden of striking, and maintaining, a balance in world grain supplies.

The United States has been, and still is, the only major developed nation that has restrained its farm output. This restraint has helped to eliminate our own burdensome surpluses and has maintained stable and improved world and domestic prices for the grains. It has prevented a grain price war in world markets.

Now, with the passage of the Food and Agriculture Act of 1965, our capacity to compete effectively in commercial world markets is greatly increased.

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The United States and the other developed countries (both importing and exporting nations) have the potential to greatly expand grain production above current levels. This capacity, according to the most careful estimates, compiled by many experts, appears to exceed the effective world commercial and concessional demand for the immediate future. In short, the surpluses-in-being are gone, but the technology and the land to quickly rebuild them remain.

What will happen if this basic over-capacity is translated, once again, into a supply of grain greater than effective world demand?

First, and foremost, will be the effect on the less-developed nations. An oversupply, resultant depressed world prices, and "dumping" of grain in the less-developed world can seriously impair both agricultural and general economic growth in these nations.

Second would be the effect in commercial markets. Last year American farmers exported in the dollar market some \$5 billion worth of agricultural products. Depressed prices caused by oversupply would seriously affect our own export earnings, our national economy, and our farmers' pocketbooks. An international grain price war could result and that would be disastrous to all, developed and developing nations alike.

This, in outline, is the task ahead of us in our food aid efforts; the opportunities, the pitfalls, the very difficult decisions we will be called upon to make.

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In short, we have already done much, but much remains to be done. Last year our Church, through Lutheran World Relief, donated 38 million pounds of food, valued at more than \$2 million, to hungry people overseas. But, in reality, this was only the tip of the iceberg. Undergirding this massive outpouring of food was the already-accomplished task of mobilizing public opinion so that the War on Hunger could proceed.

In the words of Paul's letter to James, 1:22:

"But be doers of the word and not hearers only, deceiving yourselves. For if any one is a hearer of the word and not a doer, he is like a man who observes his natural face in a mirror, for he observes himself, and goes away, and at once forgets what he was like. But he who looks into the perfect law, the law of liberty, and perseveres, being no hearer that forgets, but a doer that acts, he shall be blessed in his doing."

More than 20 centuries after Paul wrote these words, Abraham Lincoln described mankind's condition in these:

"This is a world of compensation ... Those who deny freedom to others deserve it not for themselves and, under a just God, cannot long retain it."

We are engaged in giving mankind freedom from hunger, pestilence and war. There is no more important task in the world.

Thank you.

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THE CITIZEN'S STAKE IN SOIL AND WATER MANAGEMENT

It is a privilege to share this rostrum and the sponsorship of this Conference with my friend and colleague, the Honorable Robert C. Weaver, Secretary of the Department of Housing and Urban Development.

I know that Secretary Weaver and I have looked forward to this occasion. Our two Departments have many common objectives. We have much to offer each other in achieving these objectives. Most important, our Departments have much to offer the people of America.

We are pleased that so many citizens -- as well as experts -- could attend today. We welcome you. We assure you that your comments, criticisms, and proposals will be greatly appreciated.

My subject in this session on LAND IN TRANSITION is, "The Citizen's Stake in Soil and Water Management."

Suburbia, which most assuredly is land in transition, is something new in America. It isn't rural -- it isn't urban. Yet it's both. And because it is neither and yet both, it's apt to be a kind of no-man's land where development is too often thoughtless, unplanned, and uncontrolled.

The cost of unplanned, uncontrolled development -- not only in suburbia but throughout urban and rural America -- is staggering.

The cost can be staggering to the individual homeowner who is often the victim of carelessness -- his own or that of a builder or developer.

Address by Secretary of Agriculture Orville L. Freeman before Conference on Soil, Water and Suburbia, Jefferson Auditorium, USDA, June 15, 1967.

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The sequence of events is all too familiar. An acreage is selected and purchased for development. The cover of trees or other vegetation is ripped away. Foundations are dug in soils without checking whether they are suitable for building. Houses go up. Wells are sunk. Septic tanks are installed. Roads and curbs are placed. Parks and other public facilities are laid out. And what used to be farmland or woodland becomes a new section of suburbia.

Many families see their dream of a home, with lawn, garden, and a place for children to play in the open air, come true.

For many others the dream becomes a nightmare. For example:

A family in Alexandria, Virginia, for years has made monthly payments on the mortgage of a \$30,000 pile of rubble near Mount Vernon -- the remains of a handsome house, built in 1957, below a hillside.

In April 1960, the hillside began to slip -- like a glacier -- because its marine clay soil was saturated with water. Dry summer weather halted the slide. But in 1961, heavy snow resaturated the soil. Again the hill slipped. And this time it didn't stop until it had leveled the house and seriously damaged nine neighboring homes.

A pile of rubble makes a bitter mockery of this family's monthly payment.

The cost of careless development can be heavy for an entire community.

When ground cover is broken for construction operations, and conservation is ignored, the land lies defenseless against the ravages of weather.

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People in South River, New Jersey, will long remember the day the drought broke in June 1962. Work was advancing on two new schools and a housing development at the edge of town. Onlookers watched machinery churning clouds of dust around 45 acres completely cleared of vegetation.

Then came the deluge -- four inches of rain in four hours. The bulldozed earth advanced like lava from a volcano. It puddled and pooled among the gravestones of an adjacent cemetery. It swept onward to the residential area. Mud formed in layers on the streets and in gutters and driveways. Storm drainage outlets disappeared beneath the flowing sediment and debris.

By nightfall, South River could count damage totaling many thousands of dollars -- all because of 45 acres of recklessly "developed" land.

When it rains in Maryland, Rock Creek runs almost red with good soil become bad sediment. I can see it from my back porch, and it makes me sick.

These tragedies do not have to be. Flooded basements, inoperative septic tanks, cracked walls, collapsed foundations, and eroded yards -- which cost individuals and communities millions of dollars every year -- are not normally the result of unpredictable whims of nature. They are the toll levied by ignorance and abuse of the land.

But this is only the visible, measurable, tangible cost of thoughtless, uncontrolled development. The intangible cost is far heavier.

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Take the mutilation of the open space around our cities for superhighways, shopping centers, filling stations, parking lots, honky-tonk strips, and automobile graveyards. How do you measure that?

How do you measure the loss of beauty? How do you assess the cost to man's spirit of living amid ugliness?

Surely President Johnson spoke wisely when he said: "Once man can no longer walk with beauty or wonder at nature, his spirit will wither and his sustenance be wasted."

The total cost to the nation of our careless lack of planning in urban, suburban, and rural America is beyond our power to calculate.

And it is growing. Modern technology has given man far greater capacity to abuse and destroy land and water resources than was ever possible before.

Every year at least a million acres of farm land are being chewed up by bulldozers and entombed beneath asphalt, concrete, and brick. For example, the growth of suburbia is eating into California vineyards and citrus land at a frightening rate.

Sound planning could minimize this damage to our most basic resource.

Soil erosion on a square mile of land can increase from as little as 50 tons per year on farm land to more than 2,300 tons a year on land being converted to suburban uses -- for subdivisions, apartments, commercial and industrial buildings, highways, and public utilities.

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The soil washed away becomes silt and sediment. Silt and sediment pollution in the United States causes damage in excess of \$350 million a year -- and most of it is preventable.

The Rio Grande is rising an inch a year, which means the channel will hold less water and flood more frequently.

The harbor of Cleveland, Ohio, has to be dredged every year. Each time about 880,000 cubic yards of sediment are removed at a cost of more than 56 cents per cubic yard.

Sediment more than nine feet thick clogs the Potomac River. Each year 2½ million cubic yards of erosion debris are deposited in the Potomac and Anacostia Rivers.

In every corner of the land the nation builds, and builds, and builds -- highways and homes, factories and restaurants. But in constructing the marvels of progress we often find that we have diminished the life of man.

Though we have learned to conserve natural resources in many ways, when we assess the whole nation we find the land still being ill-used and our streams becoming ever more polluted. Many of the rivers that flow through our cities today have become so befouled they are threats to human health.

To permit this to continue is just asking for trouble.

Can we keep it from continuing?

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Of course we can. That's why this Conference is being held -- not to see if something can be done, but to do something -- to identify the sources of help, to explore the needs for research, and to seek a closer relationship among all those involved in the problems of land in transition.

President Johnson has called for a new conservation: To restore as well as to protect -- to bring beauty to the cities and suburbs as well as to keep it in the countryside -- to handle the waste products of technology as well as the waste of natural resources.

But to make this new conservation effective, two requirements are primary.

First, we must have truly comprehensive planning.

We cannot adequately meet the challenge of Soil, Water and Suburbia by the piecemeal planning and action of the past.

The problems of suburbia are symptomatic of an illness in American society -- symptomatic of space-starved inner cities and a job-starved countryside. Sandwiched between them we have the unplanned, disorganized, sprawling, increasingly congested, "escape land" of suburbia.

More than 140 million Americans -- roughly 7 out of every 10 persons -- are now crowded onto just 1 or 2 percent of our land. The result too often is urban and suburban blight.

On the other hand, only about 57 million people -- less than 3 out of 10 -- live on 98 or 99 percent of our land. They have plenty of space but little opportunity. They have a double share of the nation's poverty.

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These are not two separate and isolated phenomena. They are twins. Economic and social deterioration in rural America and blight in the cities and suburbs feed each other.

More people are pouring into urban areas every year. If present trends continue in the next 25 years, 100 million additional Americans will be piled up on top of the 140 million already in our cities and suburbs.

This must not happen. It would strip rural America of its most vital resource -- its vigorous, ambitious youth. It would make far more difficult our goal of a revitalized rural America. It would multiply problems of congestion, unemployment, crime, and poverty in the cities and suburbs.

It need not happen. And if we take a more rational approach to future urbanization and create in the countryside new communities that offer their own source of employment, aesthetic satisfaction, and social and recreational opportunities -- it will not happen.

We must create economic opportunities in rural America that will enable people to make a decent living in their home communities.

Such communities, of course, will not spring up by themselves. They must be planned. They must be built. Some of them will be built new from the ground up, so to speak. Others will grow out of existing communities.

This is going to take broad comprehensive planning on an area or regional basis -- planning for the development and wise use of regional soil, water, and forest resources -- planning for new and expanded industrial plants -- planning for more prosperous and stronger family farms -- planning for top quality educational, health, recreational, and cultural opportunities.

It is totally impractical in this day and age for every small town, rural service center, or farming community to try to meet, single-handedly, the complex needs of modern society. On the other hand, the changes that have taken place in rural America make it more reasonable, and more practical than ever before, for rural communities to work together.

Legislation is now before Congress which would enable multi-county rural boards to provide effective comprehensive planning on an area-wide basis.

Secretary Weaver and I have worked out proposals which, if authorized by Congress, would empower his Department, after consulting with USDA, to make grants to States to finance up to two-thirds of the cost of comprehensive multi-county planning in non-metropolitan areas.

USDA would offer technical assistance to the planning agency.

This is a start -- and a hopeful one.

The second primary need, if the new conservation is to become effective, is public understanding.

I cannot emphasize this enough. The individual citizen and his community have everything to gain if soil and water resources are managed properly. They have a great deal to lose if they aren't.

The average American has been slow to realize that conservation of all our natural resources is the business of all of us.

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Many city people in particular have not yet matured in their thinking about conservation. Soil and water conservation still sounds like a rural project, not an urban or suburban problem. Yet the situation in the suburbs is not unlike the one farmers faced some 30 years ago. Then, dust storms and floods ravaged entire river basins, the result of generations of reckless pillaging of soil and vegetation. Out of these disasters grew the highly successful conservation programs of modern agriculture.

The urban and suburban exploitation of land in the past two decades has been equally devastating. Damage is occurring at blinding speed.

The same crusading spirit and drive that brought land conservation measures to the nation's farms, ranches, and other rural lands in the period since the mid-1930's, needs now to be applied to the urban and suburban scene. The new conservation must have a town-and-country look.

A great challenge confronts us -- but it is not beyond our capacity to cope with it.

Many of the tools are already at hand -- in USDA, in HUD, and in other departments of Federal, State, and local government.

I would like to mention quickly some of our USDA programs and services so that you will know the resources available to you from our Department.

During the past 105 years, Congress has given USDA the responsibility of administering programs dealing with the conservation and development of more than 80 percent of the nation's total land. We have first Federal responsibility with respect to the water that falls on that land.

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We are directly responsible for the management of the 187 million acres in the National Forests and National Grasslands.

We provide Federal technical, cost sharing, and credit assistance to the farmers, ranchers, and others who manage the three-fourths of U.S. land held in private ownership.

We draw on the combined talents of soil scientists, geologists, hydrologists, engineers, conservationists, recreationists, agronomists, landscape and environmental architects, biologists and economists in developing the tools to carry out our national programs and activities in resource development.

A very large part of the resulting knowledge has application well beyond the farm and the open countryside. For example, the soil survey -- a scientific inventory of land that shows the locations of various soils and their suitability for particular uses -- is being employed more and more by community planners, engineers, developers, and their associates.

They use these surveys to locate safe industrial and residential sites -- to evaluate soil and ground conditions for highways, pipelines, and airports -- to select sites for open spaces, recreation areas, and lakes -- and as the basis for health ordinances, zoning, and building codes.

Our Small Watershed Program, which has proven to be one of the most effective tools in developing land and water for multiple use, affords flood protection and sediment control to suburban as well as rural areas.

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Many of the projects under this program are also developed for municipal water supply and water-based recreation -- which are of direct benefit to urban and suburban residents.

Our Resource Conservation and Development projects attack the land-use problem on a multi-county basis. They speed up land and water conservation to improve economic opportunities within the project area.

Our Greenspan program helps to provide more open space for cities, towns, counties, and States. Greenspan offers financial assistance to convert land not needed for crop production to public recreation, wildlife habitat, and natural beauty.

In the research area, our scientists recently developed a ditching machine that can be controlled by laser beam. It makes possible uniform ditch depths and grades despite irregularities in the surface of a field.

This automatic control can be adapted for bulldozer use on grade construction sites. Community water, sewer, and storm drain facilities can be dug by laser directed excavators. Lasers can align the machines that dig beds for highways and the machines that lay paving on highways. Construction of parks, sidewalks, parking lots, curbs, gutters -- almost all of the routine building chores that a growing community must face -- can be accomplished more easily because of this development.

This brief and incomplete listing shows the broad range of our USDA activities relative to Soil, Water and Suburbia. I hope it will set you to thinking about how the use of these programs can be expanded and improved to provide the broadest possible benefit to the American people.

Last week I presented to President Johnson a new document, Resources In Action, in which we outline the new conservation policies of USDA and how we hope to work with other agencies, communities, and local people to implement them. Copies of this publication are available to you on request. We invite your comments on these policies.

This year I have given a series of policy speeches exploring the face of America in the Year 2000 and charting a possible course for the Department of Agriculture toward that year.

Although the turn of the century is still 33 years away, the shape of Tomorrow is being molded here and now. It is appropriate for every citizen to ask: What will America be like in the Year 2000?

Will it be even more urbanized, with four-fifths of our 300 million people crowded into huge, sprawling, ant-hill cities?

Will the streams of America be dirtier, the air more poisonous with smog, the traffic lines miles longer, the congestion almost intolerable?

This could happen if we are content to drift.

But this need not happen.

Thirty-three years in the future another kind of America can be ours.

-- A land of 300 million people living in less congestion than 200 million live in today.

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-- A rural USA dotted by new towns and growing rural communities where the benefits of community life are matched by the rich beauty of the countryside.

-- New industry and factories throughout rural America, providing the necessary economic underpinnings for the good life in the country.

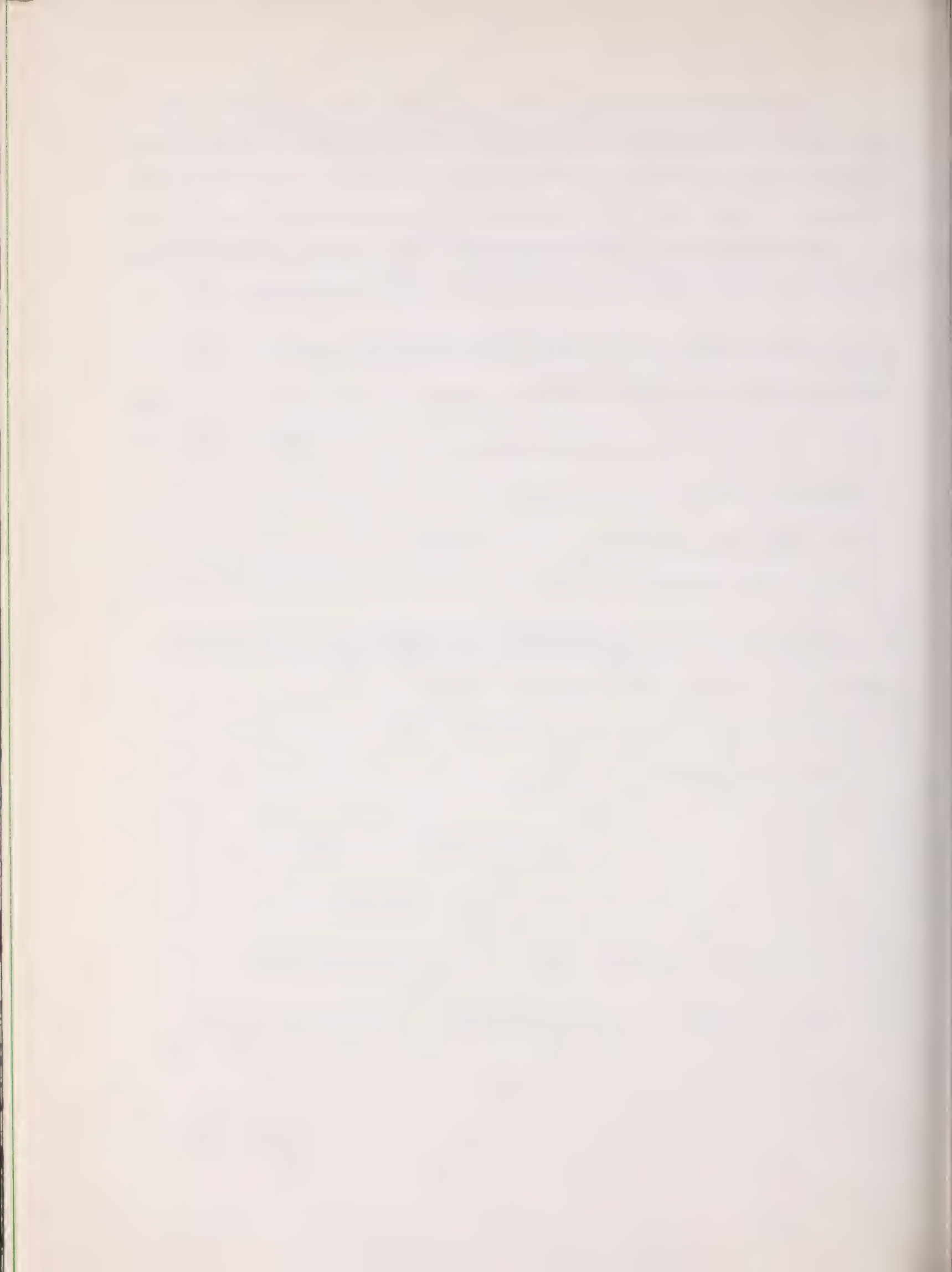
-- An agriculture fully sharing in the national prosperity -- with full parity of income an accomplished fact.

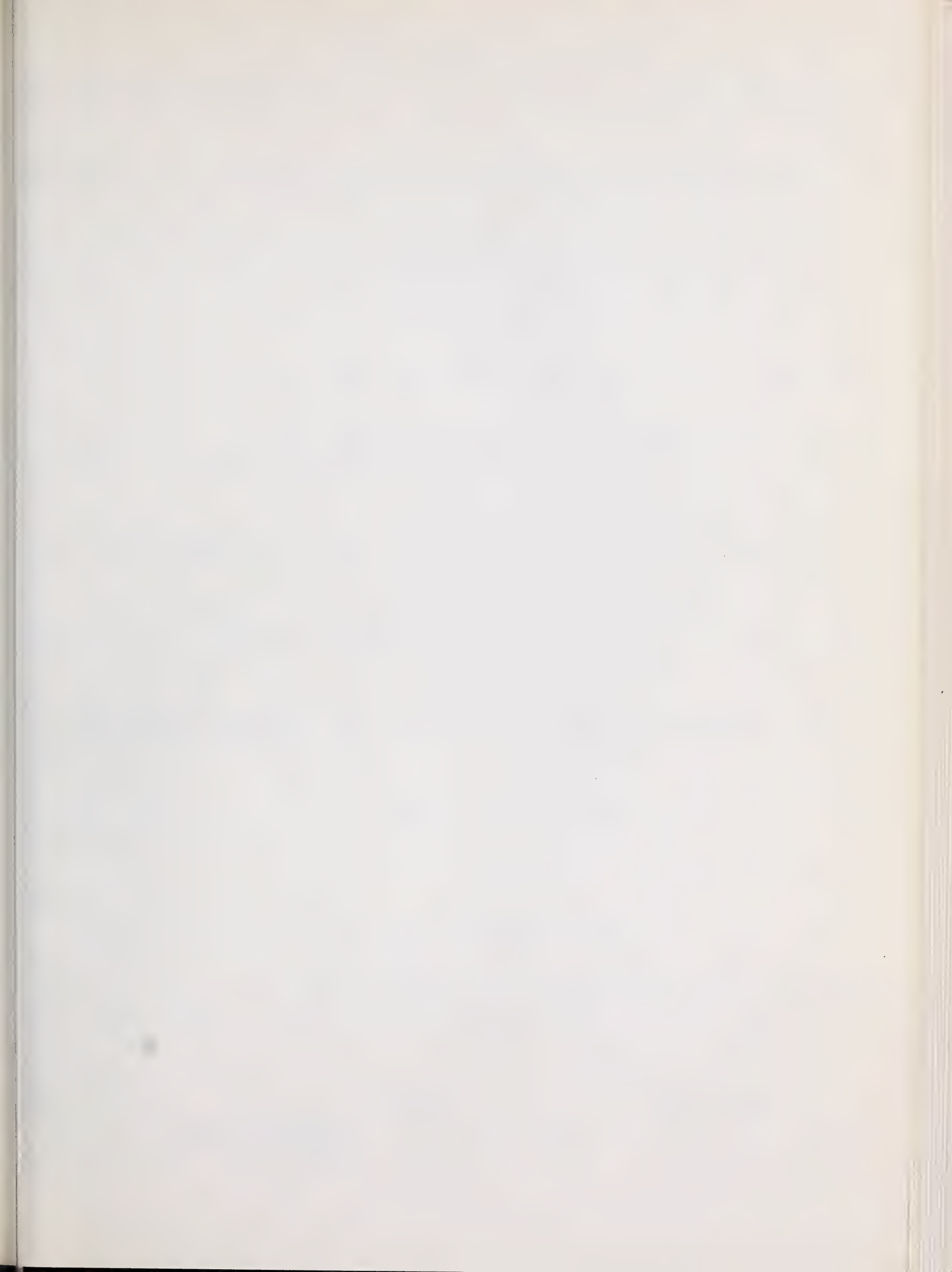
-- A land free from devastating floods, with clear rivers scrubbed of pollution and silt.

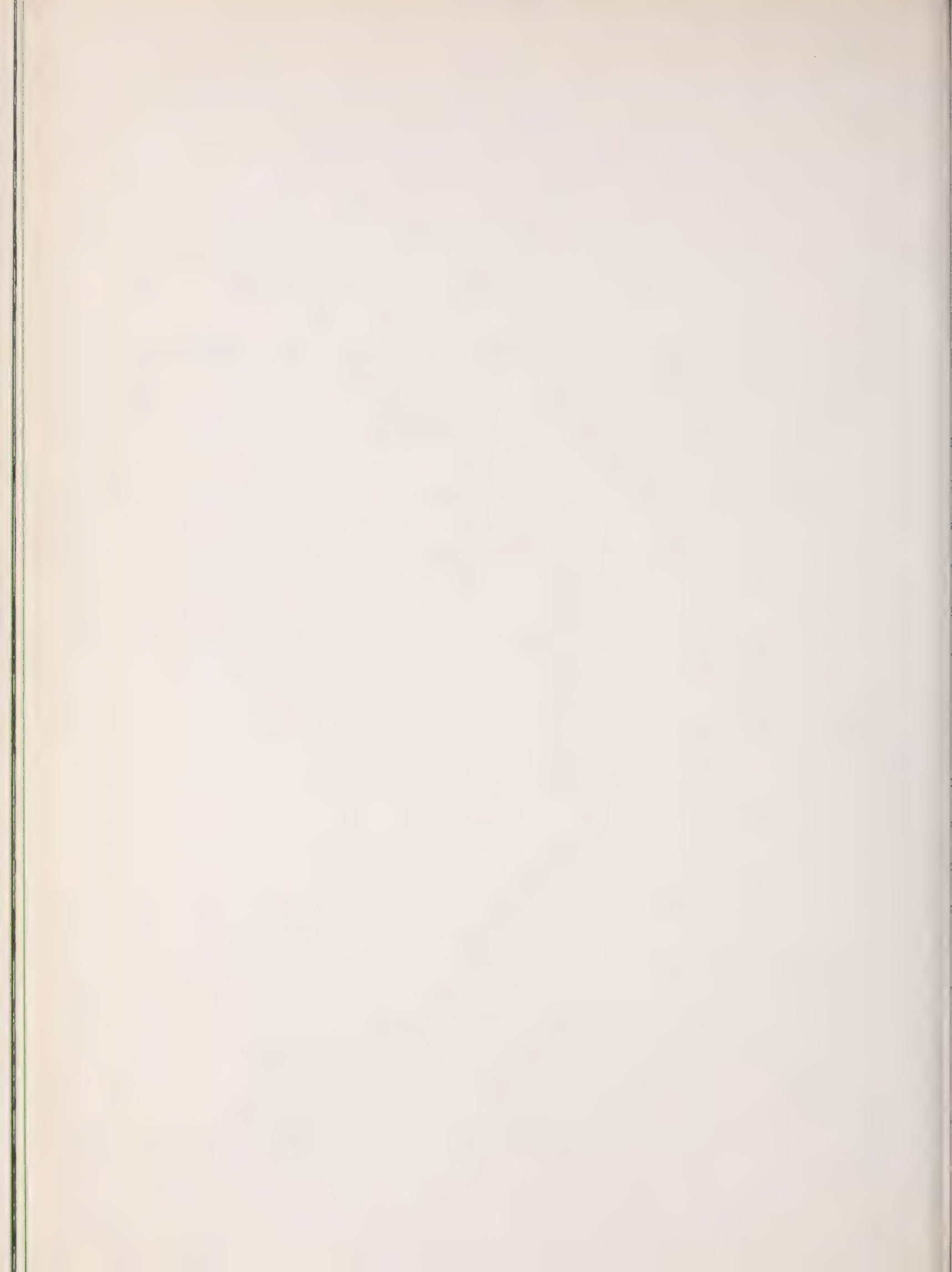
-- Urban and suburban centers free of smog and blight, with ample parklands within easy reach of all.

This is the kind of America every good citizen wants. This is the measure of our stake in Soil, Water and Suburbia.

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UNITED STATES DEPARTMENT OF AGRICULTURE

For P.M. Release June 20

Washington, June 16, 1967

Secretary Freeman Reports on "Agriculture's Challenge--Today and Tomorrow":

"The year 1966 marks the end of an old era in agriculture and the beginning of a new and better one," Secretary of Agriculture Orville L. Freeman says in his Annual Report for 1966, entitled "Agriculture's Challenge -- Today and Tomorrow."

In releasing the report today, Mr. Freeman said, "The new era in agriculture gives us a realistic opportunity, as well as a challenge, to set up our goals for the future. Building on the accomplishments of recent years, we can now define our objectives for tomorrow. This is the purpose of our current AGRICULTURE/2000 project, a blueprint for action now and in the years ahead. The fact that U.S. agriculture has entered a new era makes AGRICULTURE/2000 a realistic undertaking.

Among the 1966 advances cited by the Secretary are:

DISAPPEARING SURPLUSES: "For the first time in more than a decade agriculture is now generally free of surpluses," the report says. The surpluses of wheat, feed grains, rice, milk, butter, and cheese are no more. The new cotton program, combined with increased domestic and foreign use, is cutting sharply into the cotton surplus.

GOVERNMENT INVESTMENT SHARPLY DOWN: In 1966, the Commodity Credit Corporation investment in farm commodities "fell to \$4.4 billion, the lowest since 1953. CCC investment is now \$4 billion below the peaks reached in 1956 and 1959."

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INCOME SHARPLY UP: "Realized farm net income in 1966 climbed to \$16.3 billion--over \$2 billion more than in 1965 and about \$4 $\frac{1}{2}$ billion more than in 1960." Net income per farm in 1966 averaged \$5,024, 20 percent more than in 1965 and 70 percent above 1960. For the first time in half a century, parity of income for adequate size family farmers "is clearly in sight."

FLEXIBLE FARM PROGRAMS: Farm production can now be guided and brought into balance by means of farmer self-determination with government assistance. "Under the flexible provisions of the Food and Agriculture Act of 1965, farmers are expected to bring back into 1967 production about 18 million acres, mostly wheat and feed grains, out of the 63 million acres diverted in 1966."

REBIRTH IN RURAL AMERICA: "The revitalization of rural America continues, with more farm and nonfarm rural people enjoying pure water, better community facilities, improved schools, medical services, and an increasing number and variety of off-farm jobs." The report points out that USDA advanced \$1.2 billion in loans in 1966 to more than 700,000 rural families, helping them to build new homes, establish more productive farming enterprises, and develop water and sewer systems.

BETTER DIETS: "USDA food assistance programs now help improve diets and nutrition for 45 million Americans--school children, low-income families, and others who have inadequate diets. The Food Stamp and the Commodity Distribution Programs for needy families were available at the end of calendar 1966 in over 2,100 counties and cities in all States and the District of Columbia. More than 18 million children were served low-cost, nutritious school lunches."

EXPANDING EXPORTS AND FOOD AID ABROAD: "Exports of farm products reached all-time highs of \$6.7 billion for fiscal 1966 and \$6.9 billion for the calendar year, registering gains of 10 percent and 11 percent, respectively, over the corresponding year-earlier periods." U.S. grain shipments to drought-stricken India saved 60 million persons from starvation.

GROWING RESOURCE CONSERVATION: "Conservation treatment for soil, water, timber, and wildlife was applied on over a million farms with government cost-share assistance in 1966." USDA continued to give technical assistance to nearly 3,000 local soil and water conservation districts that include about 99 percent of the nation's farms. The Department approved construction assistance to 89 watershed projects covering 6 million acres. The National Forests had a record timber harvest for the fourth consecutive year.

MORE CONSUMER SERVICES: "USDA inspected for wholesomeness and safety close to 90 percent of all the meat and poultry sold in the United States, a new record." It graded 60 percent of the meat (excluding pork) and 63 percent of the poultry sold, thus helping consumers select the qualities they needed for specific cooking purposes. Further progress was made in wiping out animal diseases, some of which are transmissible to humans. By chemical, biological, and other means the Department continued to protect fruits and vegetables against pest damage. New foods and crop varieties were developed for better living.

New Era--New Responsibilities

"Probably never before," the Secretary says in the report, "has the change in the position and responsibilities of American agriculture from one year to the next been so great as in 1966."

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Having entered a new era, U.S. agriculture now faces new responsibilities, Mr. Freeman continues. "A great and growing agriculture must meet a great and growing array of challenges--in the countryside, in the national economy, and in the world....

"We must build the American family farm into an even more productive, effective, and prosperous unit of the economy.

"We must help to revitalize and reinvigorate the whole of rural America.

"We must lead the crusade for a world free from hunger.

"We must expand our areas of vital services to assure that the abundance produced by American farms, the resources available in farm and rural America, and the knowledge developed by agricultural science are used to support an era of better living for all our people."

A New Plateau

In releasing the report, the Secretary pointed out that although farm income in 1966 was 40 percent more than in 1960 and farm prices averaged 13 percent higher, it is proving difficult to continue the advance in 1967.

"We have reached a new plateau. Farmers still face big problems. The art of balancing production with demand is far from perfected. Largely as a result of a bumper world grain crop and increased domestic production of hogs, cattle, poultry and milk, farm prices have dropped sharply from the peak reached last August.

"We are using all available programs, including price support, purchase programs, and other marketing aids, to strengthen farm prices and income. We expect farm prices to strengthen and farm income to come close to last year's record. It is vital that the gains of recent years be not only maintained but expanded. Despite their immense contributions to the economy, our farmers are still being inadequately rewarded."

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Mr. Freeman concludes his report with an epilog in which he says: "Ours is an age of collapsed time. We see more technological and scientific progress in a year--perhaps in a month--than our ancestors saw in a century....

"The challenge of our generation is to turn the scientific, technological, and information explosions to the advantage of the human race.

"And we in agriculture are particularly challenged--because agriculture can, must, and, I believe, will provide many of the most basic tools. Fortunately, the continuing progress of the year 1966 gives promise that agriculture can and will meet its Challenge--Today and Tomorrow."

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U. S. Department of Agriculture
Office of the Secretary

I'm happy to be reporting to you today because I have a strong personal interest in the subject we are talking about.

For almost seven years now, I have worked hard to expand our country's foreign agriculture trade. And it has been gratifying work. I have had the satisfaction of seeing our country's agricultural exports grow from \$4.5 billion in fiscal year 1960, the year before I took office, to a new record of \$6.8 billion in the 1967 fiscal year that ended June 30. Exports for dollars climbed from \$3.2 billion to \$5.4 billion in the same period.

The other day I was talking to my Cabinet colleague Joe Fowler. Secretary Fowler, as you know, fights hard and effectively to strengthen the balance of payments position of the United States. Our country has many tough economic problems but none is tougher than the balance of payments problem -- and it affects all the others. It is complicated by the fact that what other countries and international bankers do affects us strongly, yet is largely beyond our control.

Secretary Fowler said to me, "I don't know what we would do today if the annual agricultural exports for dollars hadn't increased \$2.2 billion since 1960."

He went on to say that we would long since have faced a national economic crisis of grave proportions, that the value of the dollar would have been seriously undermined were it not for the substantial flow of dollars into the Treasury from agricultural exports.

Remarks of Secretary of Agriculture Orville L. Freeman before the Chamber of Commerce of the United States, Washington, D.C., at 10:25 a.m. (EDT), Friday, July 7, 1967.

What he said is certainly true. Had dollar exports of farm products not continued to climb during these 1960's, we would not have had \$7.3 billion in cumulative dollar earnings that have been added to our balance of payments.

All this means that I approach this matter of trade negotiations and trade expansion with a deep personal sense of participation and involvement.

American agriculture came to the Kennedy Round in a spirit of expectation. We sought a general lowering of agricultural trade barriers which would give efficient farmers, ours and in other countries, a greater opportunity to sell competitively in the world's expanding markets. We looked on the Kennedy Round as a means of helping world trade in general and our own export drive in particular.

To some extent our expectations were realized. Considering the problems encountered, we emerged with far better results than we thought possible during some of the darkest days when negotiations almost broke off.

We also saw first-hand why agricultural trade negotiations are so difficult. We learned that when our trading partners resisted lowering their trade barriers on agricultural products, in most instances they were pressed by the need to protect the income of their farmers.

The Kennedy Round experience confirmed my conviction that the difficulty of agricultural trade negotiations lies first and foremost in the universal farm income problem.

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As a rule of thumb, around the world a farmer gets only about one-half as much income for his labor and investment as the non-farm sectors of the respective countries enjoy.

Governments, of course, are responsive to this discriminatory situation. The lowering of agricultural trade barriers will continue to be exceptionally difficult as long as farm incomes lag so far behind other incomes.

This farm income problem is not peculiar to foreign countries. It is our problem, too. In many cases it determines our own trade positions.

The last two months the Secretary of Agriculture and senior members of the Department of Agriculture have been holding shirtsleeve sessions with American farmers all around the country, discussing the farmer's position in our economy and how to reinforce it. It was obvious at these meetings that farmers across the Nation are deeply and understandably concerned that they are not getting a fair share in our American prosperity.

Our farm prices today are lower than they were 20 years ago. Yet the cost of what the farmer buys has gone up 35 percent. Only by increasing his labor productivity 6 percent, annually more than twice the improvement made by American industry, has the American farmer managed to survive.

It is true that Government payments have helped some but even so our per capita farm income is only two-thirds of our non-farm income.

And it would be ever so much worse if our agricultural exports had

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not been steadily climbing to a point where today they absorb the production from one acre out of every four of his cropland and make a substantial contribution to his total receipts. Agricultural exports are of vital importance to every American farmer.

I would like to turn now to what we actually got out of the agricultural phase of the Kennedy Round.

We benefited in two ways:

First, we obtained from it some modest trade liberalization. The Kennedy Round will give us better access to some important foreign agricultural markets. Concessions won at Geneva will mean larger export sales in the years ahead for many of our farm products.

Second, the Kennedy Round made us aware of the problems we still face in bringing more order into world agricultural trade. It pinpointed the problems. To me, this is a very important result -- and I would like to return to it later.

As to tangible benefits from the Kennedy Round, we gained considerably in our trade in fruits and vegetables, oilseeds, tobacco, variety meats, tallow, and a number of other products. The concessions granted by other countries covered more than \$900 million in their imports of such products from the U.S., 1964 basis. On agricultural products accounting for over \$700 million -- in which we have an important export interest -- they cut their duties an average of more than 40 percent.

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The Kennedy Round also is giving us a new grains arrangement which will provide additional price insurance to U.S. wheat producers. This arrangement contains significant food aid provisions, completely unprecedented in any multilateral accord of which I am aware. Apart from their intrinsic humanitarian worth, and this in itself is adequate justification for them, these provisions should open new commercial outlets for wheat and to some extent, feed grains.

Reciprocally, the United States cut its duties on some agricultural products and imports of such items can be expected to increase moderately.

Duties covering around \$500 million of the products we import were cut by an average of 39 percent. The existing duty or duty free status of an additional \$290 million worth of import products was bound against upward change. Many of our concessions relate to tropical products which we do not produce and were granted for the benefit of the developing Nations.

While bargaining is never without its "give" as well as "take," to the best of my knowledge no American agricultural producer will be exposed to serious economic injury as a result of the Kennedy Round. American farmers as a whole, because of their comparative efficiency, will be better off than they would have been had the Kennedy Round not taken place.

Concessions won at Geneva will mean increased foreign markets for a number of our farm commodities. Our agricultural exports are inevitably on an upward trend and would increase had there been no Kennedy Round. But the rate of increase unquestionably will be faster because of our negotiation successes.

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Now I would like to return to my second point -- our awareness of the problems we still face in further reducing world trade barriers.

The Kennedy Round has shown the trouble in trying to buy -- with reductions in duties -- removal of the major barriers still standing in the way of international agricultural trade.

The Kennedy Round has also shown that a massive, multilateral trade negotiation involving all countries and all products may not be the best way to get at the root of agricultural trade problems. It provides too much opportunity for side-stepping the real business at hand.

It has shown with startling clarity the complex and exasperating nature of the trade barriers in agriculture and, most disturbing of all, it has shown a fundamental difference among the major trading partners as to international trade philosophy. Let me explain this.

A concept of orderly trade is basic to a negotiation. Unless parties can agree on objectives, they rarely accomplish anything. There must be a mutuality of interest. There must be common ground in agricultural negotiations.

During this negotiation, all parties said they were trying to bring about more orderly agricultural trade, but I detected at least three different ideas of what "more orderly" meant. Each idea was put forward by a negotiating bloc powerful enough to prevent consensus.

The first said -- let those who can -- produce, whether the production is efficient or not. The only test is -- are we physically capable of turning out the product and are we able and willing to bear the cost?

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The second said -- let those who can produce efficiently, produce.

The test ought to be based upon who can produce abundantly, inexpensively, and well, and not upon who has physical capacity and strength of treasury.

The third said -- let those produce who must produce to exist.

Whether inefficient or not, if we can only produce a few products, let us produce them and sell them because we must. This last view, of course, is put forward with increasing intensity by the less developed countries, which, in many cases, have neither the resources to produce cheaply and well, nor the financial capacity to subsidize heavily.

Given these three major conflicting views, is it any wonder that we were unable to make in this negotiation all the changes we desired?

The Kennedy Round was primarily a tariff negotiation. Tariffs remain an important means of protecting producers in many parts of the world. But in agriculture, particularly, other barriers are numerous and complex. Negotiators met with only limited success in removing or lowering them and, on the really hard-core products, had no success at all.

Overall, as I said earlier, the problem of liberalizing trade stems from the almost general disparity in income between farm and non-farm people. That disparity poses an obligation on every government to protect the incomes of its farmers and still make sure that all the people have enough food and fiber and other products of agriculture. It is an obligation that has called forth price and income programs in every country in the world. These take many different forms and they all affect world trade in one way or another.

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The European Economic Community attempts to keep domestic agricultural prices high, for most products, through a variable levy system. The EEC sets the prices, and the variable levies remove the effect of outside competition. This is truly a formidable barrier to trade.

The United Kingdom favors the deficiency payment support system. Internal consumer prices are allowed to seek their own level. But producer returns are kept at government-set levels through producer payments. The impact of this system on exporters is more obscure, but severe nevertheless.

We have our support programs in the United States, also. In some cases -- in cotton and wool -- the program is a combination of deficiency payments and tariffs or quotas. In dairy, it is a combination of a support price and quotas and tariffs. In grains, we use a certificate program. Our system is different from others, in that in many cases we tie payments to acreage reduction. In this manner we prevent price-depressing surpluses. The United States is the only country in the world that has taken on the exceedingly difficult, politically hazardous, yet important task of limiting production. If we didn't do so, there would be a growing world surplus in the grains, cotton and tobacco with resultant international trade chaos. Yet this major contribution to orderly world trade goes largely unnoticed.

Government support programs often lead not only to import control but also to export assistance. The EEC has such export assistance. Denmark uses a two-price system in which prices for products marketed at home are held at one level, while exports are marketed well below that. Other countries use marketing boards that have great flexibility in price practices.

Because of such programs, just the other day I had to make the very difficult decision to recommend sharp restrictions on imports of dairy products into the U.S. This was not a pleasant decision. A country which exports as much as we do must be prepared to import as well. But the dairy trade had become sick. Under the EEC system of high dairy support prices protected by variable levies, production has increased to the point that heavy surpluses of butter and cheese are a glut on the EEC market. Under such circumstances, an EEC export program operates almost automatically to move these surpluses out of the EEC, regardless of their impact on the trade of more efficient suppliers or on the economies of importing countries.

EEC butter, produced at a price of 60 to 65 cents per pound, was being sold in the U.S. for around 22 cents per pound. It was entering the U.S. as a butterfat/sugar mixture in circumvention of existing U.S. import controls on butter, and in quantities that were interfering with the operation of our own support program.

You will recall that not too many years ago the U.S. also had burdensome surpluses of dairy products. But we didn't dump ours indiscriminately into the international market. We stored them and used them at home in school lunch programs and to feed our needy. We moved them abroad only when demand was such that they did not disturb the international market. It is a pity that other major producers have not practiced similar restraint.

It can be seen, then, that even if countries were agreed on the kind of order they wanted to put into the international trading system, the task of reshaping its numerous and complicated systems and barriers would be a

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formidable one. Even to catalogue and understand them is difficult. To deal with them all at one time in a comprehensive way is virtually impossible. This also we learned from the Kennedy Round.

How then can we deal with these barriers? What kind of plan can be used? What should our agricultural trade policy be?

Ambassador Roth has mentioned the Trade Policy Study which he will undertake next year. This will help us decide. I cannot, of course, anticipate it. I can suggest, however, that he explore carefully the following principles, which I think are essential.

The underlying objective in U.S. agricultural trade policy must continue to be one of orienting agricultural trade to production efficiency.

In other words, those who can produce abundantly, inexpensively, and well, should produce and should be leaders in trade.

There will be exceptions, of course. If some countries insist on producing at heavy cost simply because they are so inclined and have the money, we can't prevent them. But we can try in every way we know to show them that they are wrong and where they are wrong, and try to get them to move toward the principle of comparative advantage.

We should start by focusing our attention on individual products or, at most, product groups, and we should seek to deal in depth with the barriers affecting them. I think we should start such explorations among key countries in the very near future.

In the work that lies ahead, we need also to recognize that the Kennedy Round had more significance for the industrialized nations than it

had for the developing countries.

The United States tried hard to make the Kennedy Round meaningful for the less developed countries. In agriculture, we cut and in many cases eliminated duties on tropical products valued at almost \$120 million -- products such as Indian cashew nuts, Brazil nuts, Philippine desiccated coconut, and so on. We committed ourselves not to put duties on fresh bananas and other products now duty free to the amount of another \$140 million. And we cut duties on some temperate products in which the developing countries have a trade interest approaching \$70 million. I know of no other area of the world that did as much in this way as the United States.

And much more needs to be done along these lines by all trading partners. President Johnson said last year at Punta del Este:

"We are ready to explore with other industrialized countries -- and with our own people -- the possibility of temporary preferential tariff advantages for all developing countries in the markets of all the industrialized countries."

In other words, there may need to be special trade programs in addition to the special aid programs through which we have been extending technical, food, and other forms of assistance for a number of years.

This is not something that will come about quickly. But as part of the complex problem of helping the less developed countries to emerge, we do need to be open minded about their obvious need for remunerative markets for what they produce. Only by having such markets can they ever hope to pay their own way.

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It is in our own interest that these nations grow to a trade basis. We are spending millions upon millions of dollars today in carrying out our worldwide technical, economic, and food aid programs. Our objective must be to turn this one-way flow into a two-way trade flow -- and the only way this can happen is for the less developed countries to become stronger trading partners.

The largest potential market in the world lies in the less developed countries with their large populations and largely undeveloped resources. We see evidence of this market's awakening. There needs to be -- and can be -- a general springing to life in country after country. Modern man is an economic being. There is no tonic more powerful in bringing about this action than available markets for what the less developed countries have to sell -- which, in turn, will make it possible for them to buy the things they need from us.

In this trading world of the future -- which the Kennedy Round and its lessons will help to shape -- I see American agriculture playing an even more extensive role in feeding and clothing the world than it is playing today. And I see this role carried out increasingly through commercial, dollar-earning export trade.

As I said earlier, during the fiscal year just ended we exported a new record value of \$6.8 billion worth of agricultural products. A record \$5.4 billion of this was in dollar-earning commercial sales.

A total of \$8 billion in U.S. agricultural exports by 1970 is a

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target we expect to reach. And we will go on from there, I predict, with \$10 billion in U.S. agricultural exports by 1980.

Further, I look for the big increases to take place in the dollar-earning type of exports which, as my friend Secretary Fowler has said, are giving timely and strategic assistance to our Nation's balance of payments.

Part of this continuing advance in our agricultural exports will come about through continued lowering of trade barriers throughout the world. Our products are competitive and they are needed. In many countries the continuing pressure for supplies will override pressures for self-sufficiency.

And as trade barriers are eased, we will continue -- as we are doing -- to follow up with aggressive market development actions. The Department of Agriculture is teamed today with U.S. trade and agricultural groups to promote sales of our farm products in more than 70 countries. This work is effective and is one of the strong reasons for my optimistic predictions.

As an example of this export promotion, I am announcing today that the Department of Agriculture and our many trade and agricultural cooperators will present a major agricultural trade exhibit in Tokyo next Spring -- April 5 to 21, 1968. This will be one of our largest overseas promotion events in our largest export market. Japan, as you may know, now buys nearly \$1 billion worth of our farm products annually. From this exhibition we will strengthen further Japan's obvious goodwill toward U.S. food and agricultural products. And, more tangibly, we hope to see Japan continue to increase its

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purchases from us, with \$1 billion only an interim milestone.

American agriculture has immense and growing influence in world affairs today.

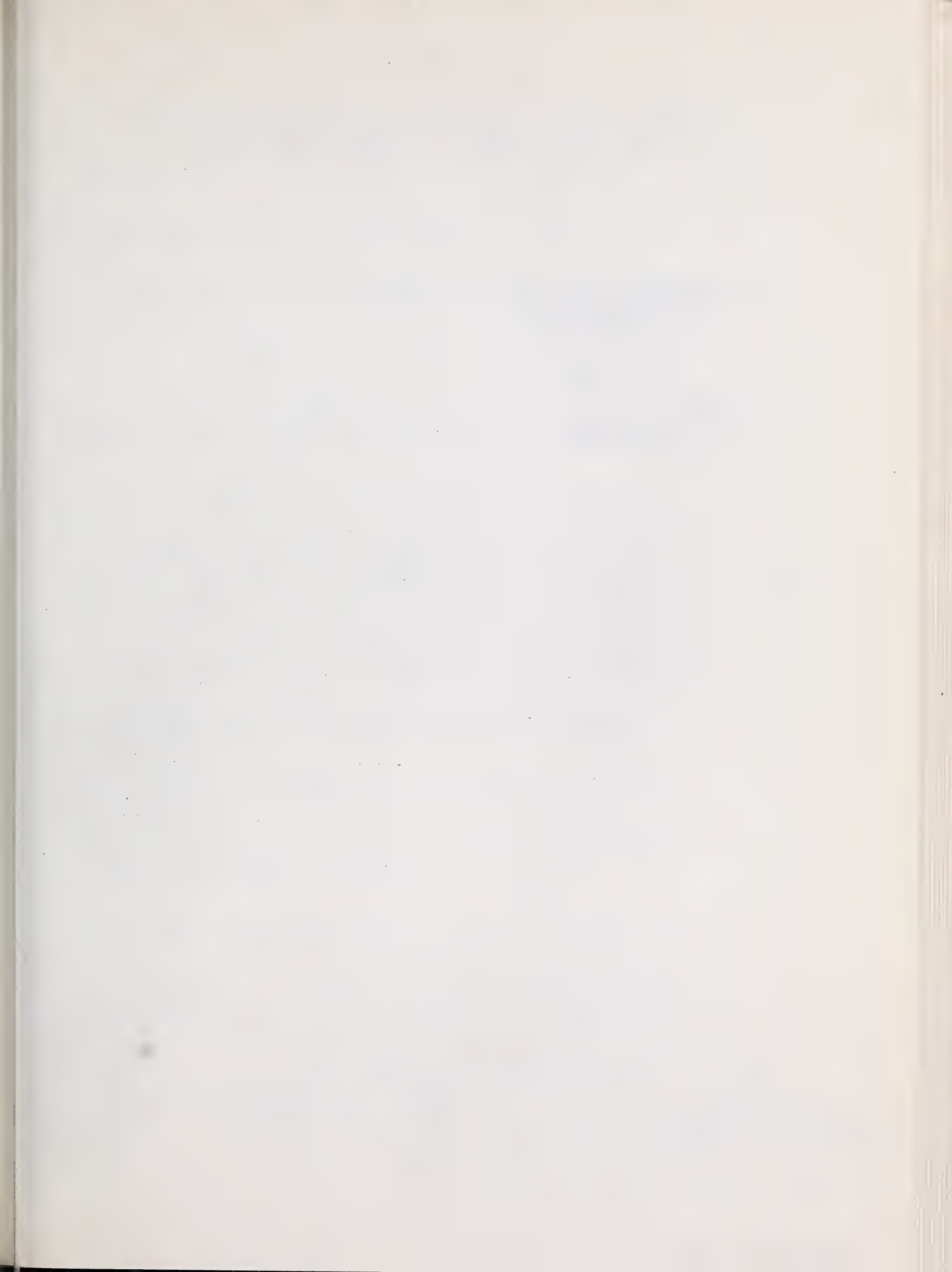
This influence will grow as world population and incomes rise and demand is strengthened for the food and fiber we can produce with such efficiency.

But trade, ultimately, is the conduit through which the bounty we produce can reach foreign consumers. Fundamental to that trade is the extent to which the world allows comparative advantage to function.

The Kennedy Round resolved only some of agriculture's trade problems. Many remain. But I think the Kennedy Round did help to clarify the thinking of our own participants and of our trading partners. It gave us new insight and perspective as we try again.

And we must try again and keep trying. Only as trade in food and agricultural products is allowed to flow in a relatively unrestricted manner will the world's people share, as they should and must, in all the good things that modern science and technology can make available.

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TESTIMONY OF SECRETARY OF AGRICULTURE ORVILLE L. FREEMAN
BEFORE HOUSE COMMITTEE ON EDUCATION AND LABOR
10 A.M. (EDT) July 10, 1967

Mr. Chairman and Members of the Committee:

First, let me say that I deeply appreciate your courtesy in re-scheduling my appearance before you at this more convenient time.

Some of you may recall that when I testified before this Committee three years ago, I described the plight of Charlie Hamlin and his family.

Mr. Hamlin was a poor Negro farmer in Mississippi. He was trying to feed, clothe, shelter, and educate eight children on a small cotton farm that brought him only \$365 a year -- a dollar a day. This, plus \$500 or \$600 he and his family earned doing odd jobs in the community, was the total income of the Hamlin family.

Mr. Hamlin needed help. He needed counseling in farm management practices. He needed money to develop his meager farming resources.

He had obtained a small loan from the Department of Agriculture for subsistence and day-to-day operating expenses. But he could not qualify for a larger loan -- a loan that would have enabled him substantially to improve his farm and his income.

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I cited this case three years ago to illustrate the need for a new type of program, a program tailored to the circumstances of thousands of Charlie Hamlins throughout rural America. The Economic Opportunity Act of 1964 authorized such a program under Title III (A).

Charlie Hamlin got his EO loan in May 1965. It enabled him to buy six head of beef cattle -- and to clear eight acres of land, put on fertilizer, seed for permanent pasture, and build fences to control grazing.

This was precisely what he needed to get a toe-hold on the economic ladder. That toe-hold has since made it possible for Farmers Home Administration to give him a regular farm operating loan to buy more cattle.

Mr. Hamlin now has 16 head of livestock and 18 acres of good quality pasture. The total family income this year, including earnings from off-farm work, is expected to be \$3,000 -- not very much, it's true, but triple what it used to be. In less than three years Charlie Hamlin's net worth has doubled. He is slowly making progress.

I cite this case today to illustrate how the Economic Opportunity program is opening doors for low-income people all over America. Just this one phase of the Act has already proved itself in terms of "opportunity" for more than 40,000 families and individuals in rural America.

It illustrates what Robert Browning wrote a century ago --

"Oh, the little more, and how much it is!

And the little less, and what worlds away."

The "little more" that the war on poverty offers our low-income people makes a world of difference in their lives, their futures, and their contributions to society.

My testimony today has three major purposes.

First, I am here to support as strongly as possible your efforts to intensify and make more effective the nation's war on poverty. To that end, I urgently recommend the extension of the Economic Opportunity Act as strengthened on the basis of our three years' experience with it.

Second, I wish to offer some suggestions on filling the gaps in existing operations in the war on poverty and to support strongly the amendments proposed by the Administration.

Third, I want to sketch for you briefly some of the many effective ways in which the USDA is working with OFO and other agencies, public and private, in this war.

I.

I am sure that everyone in this room would agree that there is no valid excuse for continued widespread poverty in the midst of mankind's greatest abundance. Nor is there any morally acceptable rationale to justify continued widespread lack of opportunity in an economy that is the most productive in history.

Poverty and lack of opportunity are two sides of the same coin. They must be fought and vanquished together -- largely with the same weapons. There is no point in developing job opportunities unless we also train people to fill them. There is little point in providing loans for the poor unless growing economic opportunity makes it possible to repay them.

In the past few years the Congress has enacted many far-reaching laws and has created imaginative new programs and services to ease the pressures of poverty and expand economic opportunity.

I count it a real privilege to have a part in carrying out these programs under the dedicated, imaginative, and enthusiastic leadership given to this cause by Sargent Shriver.

I am convinced that by any reasonable assessment the scene in rural America today indicates that very significant forward strides have been made.

Two weeks ago I spent four days examining rural development and poverty programs in Iowa, Mississippi, Alabama, and Indiana, seeing for myself some of the items we will discuss today.

Along on the tour were officials from HUD, HEW, OEO, Labor, Commerce, and the Bureau of the Budget, as well as local USDA personnel.

We wanted to see how our Federal programs are doing in rural America. We wanted to talk first-hand with the local people who administer the programs. We especially wanted to talk with the people the programs are designed to help.

We visited 18 different projects and developments and 11 individual farms. We talked with four-year-old children in Head Start. We talked with a 67-year-old senior citizen who works on a Nelson Amendment Project in Indiana -- for the first time in his life he has a bank account.

There wasn't time enough to see everything. But what we did see was impressive in scope, variety, and results. It ranged from a \$7 million flakeboard plant now being built at Oxford, Mississippi, to a small welding shop on a farm in Indiana, made possible through a \$2,500 OEO training loan.

What we saw was a start, a beginning -- but a strong beginning, with a growing momentum. It is indicative of what is taking place throughout rural America.

Today people in most of the nation's counties have formed committees to come to grips with local problems of economic, social, and cultural stagnation.

Scattered across this country, more than 3,150 community resource development committees and 562 multi-county committees are working today on job development and training, housing, health, education, recreation, and other services and facilities beneficial to rural communities.

Thousands of young Americans are finding new opportunities through Head Start, Upward Bound, the Neighborhood Youth Corps, and the Job Corps. They are getting medical and dental care that many of them never had before.

Millions of older people have been helped to sign up for Social Security and Medicare. Many of them are finding an end to loneliness in centers for our senior citizens.

Back of these accomplishments is a well-planned effort, spark-plugged and coordinated by OEO.

OEO's Community Action Programs and the USDA's Technical Action Panels are working together to help create a new dimension in rural life.

The Community Action Programs or CAPs, as you know, are project grants made directly to public and private nonprofit groups in American communities. About \$253 million in CAP grants went to rural communities in fiscal 1967. In fiscal 1968 this total is expected to rise to \$402 million.

Of the current total of 1,050 Community Action Agencies, more than 700 are in rural areas. They are making it possible for rural people to share in the benefits of many Federal programs which formerly were out of reach because the people did not know they existed or lacked the know-how to take advantage of them. They are reaching and stirring hope in the poor who otherwise were hopeless and forsaken.

The Technical Action Panels, or TAPs, are an integral part of this effort.

Many Federal agencies with programs intended for all the people lack the organization to reach rural America. Small communities lack the staffs of planners, engineers, lawyers, and others needed to take advantage of Federal services.

The Department of Agriculture has at least four programs in every rural county, operated by the Soil Conservation Service, the Farmers Home Administration, the Agricultural Stabilization and Conservation Service and Extension Service. These agencies have joined together to form county and state Technical Action Panels. Other Federal Departments and state and local leaders have been invited to participate.

The TAPs have the machinery to answer any inquiry in the field of rural areas development. This means that any rural individual, family, or community seeking access to anti-poverty or development services can get one-stop service at the county level.

In many counties the TAPs and CAPs work in double harness. They meet together, plan together, and pool resources. In this way they can reach the poor and the poorest of the poor. They are getting results. Planning and action programs are going forward not only in individual counties but on a multi-county or regional basis as well.

In the Elk River Valley in Tennessee, for example, 32 community action centers are bringing health, employment, and education services to a 10-county area where almost half the families have incomes below \$3,000. The Neighborhood Youth Corps, Head Start, and Upward Bound are opening doors of opportunity. Ninety-one persons, formerly unemployed, are now working and contributing members of the community -- thanks to a manpower training program.

The Community Action Agencies, the State Extension Service, and TVA have assisted low-income farmers to get into a fertilizer program -- which helped boost farm income in the area by \$1 million a year for the past two years. Programs of livestock improvement and forestry management are also under way.

In the Upper Peninsula of Michigan, six multi-county Community Action Agencies are using an umbrella agency, UPCAP, to provide expert assistance in administration and planning. UPCAP was formed with the help of the Extension Service in 1961. It was reorganized in 1965 to bring to the area the advantages of the Economic Opportunity Act, the Elementary and Secondary Education Act, and other new anti-poverty measures.

UPCAP has fostered economic development, small business development loans, on-the-job training, NYC, legal services, and HUD grants. Thirty-one Neighborhood centers are providing counseling and referral services. Other available programs include Head Start, dental care, a workshop for the handicapped, a high school diploma program, homemaker services program, a pre-school program for Indian children, and centers for senior citizens.

Besides the people directly served by these programs, local schools, government, and industry are all involved in this community action.

The rural loans program for individuals and cooperatives authorized by the Economic Opportunity Act and administered by USDA's Farmers Home Administration is proving particularly successful. This is the program which is helping Charlie Hamlin, whom I mentioned earlier.

Individual loans up to a maximum of \$3,500 are made to finance small businesses and services and to improve low-income farms. Between January 1965 and June 30 of this year, almost 44,400 loans were made to low-income rural families and individuals and to 844 cooperatives serving low-income rural families. Almost \$83 million has been advanced under both credit programs. Slightly over 10 percent went to cooperatives.

Of the loans to individuals, a little over half financed investments in farming. The remainder provided capital for some 350 different types of nonfarm enterprises -- including commercial fishing, small retail stores and service outlets in rural communities, handling and hauling timber, farm machinery repair, and production of handicrafts.

Of the 844 cooperatives, four out of five are made up of small farmers who have joined together to purchase machinery, such as a cotton picker or combine that they could not afford individually.

Rural loans are concentrated heavily in the Southern States and in Puerto Rico. In the South, 44 percent of the borrowers are Negroes. Nationwide, 5 percent are Indians.

Four of every five borrowers had family living incomes of less than \$3,000 before they received their loans. When family size as well as income is considered, 90 percent of the borrowers had incomes at or below the poverty level. The average borrower family spent only \$1,700 a year on living expenses. Slightly over 11 percent of borrower families were receiving public assistance when they obtained a loan. Less than one-third of the borrowers had gone to high school.

These loans are an important weapon in the war on poverty. In a Mississippi rural community two weeks ago I talked with a Negro mechanic. He had been supporting his family by repairing cars and farm machinery under a shade tree in his back yard, using poor, worn-out equipment and tools. No one would lend him the money to set up a real garage. In February 1966 he was given an EO loan of \$1,850 and in March 1966 a subsequent loan of \$650. He used the money to build a farm machinery repair shop and buy a lift, generators, testing devices, and other tools. His payments on interest and principal total \$190 a year. Last year his net income increased by \$1,295.

The repayment record of borrowers, both individuals and cooperatives, is remarkable in the light of their extreme low-income situation. In the individual program, at the close of 1966, 82 percent of principal due had been paid. Some borrowers were paying ahead of schedule -- advance payments totaled \$1.4 million.

Total payments made, including prepayments and refunds, amounted to 99 percent of the principal amount due. Cooperative borrowers have a similar record.

In another highly successful operation, OEO has delegated to our Forest Service authority for operating 47 Rural Job Corps Conservation Centers to make young Americans more employable through education and vocational training. There are approximately 8,000 male youth 16-21 years of age in these Centers.

The Corpsmen are accomplishing much needed conservation work on National Forest land. To date, this work is valued at \$13,000,000.

I recently visited the Branchville Job Corps Conservation Center in the Hoosier National Forest in southern Indiana. As one of the work projects there, Corpsmen have built a recreation area including 28 family camping units, 24 picnic units, a water system, sanitary facilities, and a beach and boat landing.

The young men are proud of not only what they have accomplished, but also of the skills they have obtained in carpentry, masonry, heavy equipment operation, and landscaping. Such skills will help them to break the bonds of poverty and become fully self-supporting members of society. To date, the young Americans in the Job Corps have been very predominantly urban. Through the TAPs we are making a strong effort to recruit more rural youth.

For "boxed-in" men who are older and therefore ineligible for the Job Corps, Operation Mainstream (Nelson Amendment) projects are providing both jobs and training in new skills. Funding is by the Department of Labor through Community Action Agencies. Projects presently operating are providing conservation and development work and training for 150 men in the Jefferson National Forest of Virginia -- 48 men in Holly Springs National Forest in Mississippi -- 84 men in the Kisatchie National Forest, Louisiana -- and 30 men in the Pisgah National Forest of North Carolina. Negotiations are under way for projects in National Forests in Kentucky and New Mexico and an additional project in Louisiana.

All in all, the record of progress in rural America is good. That needs to be recognized. But we must also recognize that the job ahead, if we are to meet the problems of rural America, will be difficult and long.

No one agency can solve these problems. They can only be solved ultimately by local people with the help of Federal and State resources. They require a coordinated attack. Rural America needs the joint effort and experience that OEO is providing. We in USDA look forward to even closer and more fruitful cooperation with OEO in revitalizing rural America.

For example, one of the joint programs we are contemplating is a two-pronged reclamation project -- reclamation of both land and people. The specific area is 6,000 acres of land in Mississippi seriously damaged by sediment eroded from surrounding hillsides. Much of this acreage belongs to low-income farmers. This is part of the Southeast Delta Resources Conservation and Development Project which was authorized last September. Flood prevention dams and other sediment controlled structures have already been built, the hillsides have been revegetated, and the erosion is largely stopped. Now the problem is to make the land fully usable again.

The plan is to spread the sediment evenly and then by deep plowing to incorporate it into the soil. Technical and cost-sharing assistance will be provided by USDA conservation agencies, and OEO will assist in funding the project. OEO rural loans and USDA credit facilities will be available. Training and education programs will prepare the people of this area to take advantage of developing economic opportunities. As the damaged land owned by these small farmers becomes productive the earning value of these farms will increase.

We see this as a 10-year project with an added income potential of at least half a million dollars and a job potential of about 36,000 man-days.

As I look at our present progress and at the challenge ahead, I can only say that it would be almost impossible for me to overstate our interest in the continuation of the Community Action Program and the other OEO activities in rural areas. It is imperative that they be continued. The nation cannot afford to discard the experience and the spirit of OEO at this crucial time.

The American people cannot afford to disrupt the programs that are already making inroads on rural poverty. We must not slow down community action, or turn it over to new management.

So with the utmost sincerity, I urge this Committee to continue and expand OEO programs throughout rural America.

II

This is not to say that there are no gaps in our efforts to combat rural poverty. Of course there are. This is inevitable in any new program. The experience of the past three years points to many needed improvements. I am confident that the improvements will be made -- that the gaps will be filled.

For example, the comprehensive planning aid for rural America that we have recommended as an amendment to Section 701 of the Housing Act of 1954 is vital. This legislation is urgently needed to overcome the disadvantages of small, scattered, population and the lack of planning expertise in rural areas, by pooling resources in logical multi-county groupings.

Innovative financing arrangements must be developed to meet the housing needs of the rural poor. Currently, about 5 million, or one-third, of all occupied rural homes need either major repairs or complete replacement. The 1960 Census revealed that 35 percent of farm homes and 30 percent of the rural nonfarm homes did not have hot and cold running water. Only 5 percent of urban homes lacked this convenience. The problem of rural housing requires massive inputs both of funds and of technical assistance if millions of rural people are to be decently housed. Self-help housing and housing grants are important devices. We have a small self-help housing program. FHA also has authority to make grants up to \$1,000 for home repair. However, the Congress has restrained us from exercising this authority since the summer of 1964.

It has been estimated that underemployment in rural America is equal to about $2\frac{1}{2}$ million man-years of unemployment. Obviously, training for off-the-farm jobs is of key importance. We need to expand work and training programs.

There are jobs to be had but going begging, so to speak, because qualified people are not available. This re-enforces the thought I expressed earlier that economic development and anti-poverty are two sides of the same coin. There is no point in developing rural job opportunities if we do not also train rural low-income people to take advantage of them.

Some of these gaps would be bridged by amendments to the Economic Opportunity Act now being considered by this Committee.

Thus the proposal on community employment and training would extend to rural areas some of the benefits of job programs now available to urban centers where low incomes and unemployment have become crucial. Where large numbers of rural families live in abject poverty, as in Appalachia or the Mississippi Delta, special, impact-type assistance is urgent. We fully support this amendment.

We favor the general expansion of Community Action Programs in rural areas. We approve also the proposal that OEO develop simplified forms and guidelines for use in rural areas.

We support the development of cooperative projects between rural and urban areas to help migrants from the country make a better adjustment to the city environment. Millions of the rural poor have flocked to the cities in search of opportunity. Few of them have had adequate guidance in making the adjustment.

We also believe that a start should be made on joint funding and administration by two or more Federal agencies of local anti-poverty projects.

As I mentioned earlier, about 11 percent of all rural loan borrowers under Title III are receiving some type of public assistance when they obtain their loans. It is proposed that they be eligible to earn additional income from their loans without having an equivalent amount deducted from their assistance payment. There would be some reduction in payment, but not on a dollar for dollar basis.

Finally, we completely support the proposal to establish a new position of OEO assistant director for rural programs. This would be a major stride toward full participation by the rural poor in the nation's anti-poverty programs.

III.

Judging by some stories in the press, there appears to be a considerable misunderstanding about USDA's role -- and performance -- in the war on poverty.

I'm sure the members of this Committee understand my personal unhappiness when some of the news media reports that it is a "tragedy" that USDA's "\$5 billion budget earmarks only \$450,000 for rural community development and assigns only 26 of its 100,000 employees to this work."

To keep the record straight, let me present a few facts.

The reference to \$450,000 and 26 employees applies only to our Rural Community Development Service which coordinates and expedites rural programs at the Washington level. This is an extremely important operation -- but it is simply ridiculous to imply that this is our total anti-poverty effort.

Our Farmers Home Administration is advancing more than \$1 billion a year in loans to rural Americans, many of them at the poverty level.

About three-fourths of our farm loans for fertilizer, equipment, land purchase and development go to families living on \$3,000 a year or less. Most of our rural housing loans go to low and moderate income families. Seventy percent of FHA funds advanced for rural water and sewer systems go to the 16 States with the largest number of low-income rural residents.

We are making special efforts to reach minority groups who are "locked out" both by poverty and by discrimination. In the past fiscal year more than 104,000 rural Negroes received 20,800 FHA loans totaling over \$50 million. This was a 30 percent increase over 1965 and a 146 percent increase over 1960.

Our Agricultural Conservation Program helps low-income farmers develop and improve their soil, water, woodland, and recreational resources. Since 1964, for example, a total of 170 projects to modernize family-owned community water systems in a seven-county area of north central New Mexico have been carried out with special ACP cost-share assistance. The systems serve 6,049 farms. Most of these families are Mexican and Spanish-American or American Indian.

Farmers in Taos County, New Mexico, are putting in water conservation measures year by year with Federal and State help. In 1964 they completed 4,000 feet of concrete-lined ditch at a cost of \$15,000, with cost-share help from ACP and the State of New Mexico. In 1965, work was started on a diversion dam and a pipeline. In 1966 another pipeline, a flume across a river and 2,000 feet of concrete ditch lining were installed, plus facilities for efficient handling of water on individual farms.

Assured of water, these small farmers are raising more stock and growing more crops. They will have better incomes, better homes, better living.

Our Farmer Cooperative Service also reaches out to low-income farmers. In Mississippi I talked with the Negro president of a farm co-op composed of 155 low-income growers of cotton, soybeans, and other crops. Previously, they lacked harvesting machinery and their crops were often impaired and even ruined by bad weather. With FCS help they formed a co-op, obtained an EO loan of \$113,000 from FHA and now own three cotton pickers, three combines, six trailers, four trucks, and a sprayer. Their increased efficiency will boost their incomes.

Our Cooperative Extension Service devotes two-fifths of its time to working with low-income farmers, families, and youth.

Since 1960, more than 3,500 new business enterprises employing nearly 48,000 rural people have been established as a result of conservation work carried out with technical and financial help of the Soil Conservation Service.

The timber harvest from the National Forests annually creates 300,000 man-years of rural employment. Another 20,000 seasonal employees, mostly rural residents, work in the National Forests each year.

Rural Electrification Administration borrowers last year helped set up about 450 projects to establish new small industries, new community facilities, and new tourist attractions. This created an estimated 31,000 jobs.

Our Consumer and Marketing Service through the food stamp, direct food distribution, school lunch, milk, and child nutrition programs is doing a great deal to improve the diets of low-income people, especially children. Of the nation's 100 poorest counties, all but 15 have food assistance programs. On the other hand, more than one-fourth of the 1,200 counties in the poverty-stricken category, are still without food assistance programs.

Only 6 States, one of them Mississippi, have food assistance programs in all their counties. In Alabama, next door to Mississippi, only half the counties provide food assistance.

These programs are extremely valuable. More than 3.4 million persons are now taking part in the direct food distribution program. From the food provided they can get over half of their daily calorie requirements, about 90 percent of the protein, 60 percent of the iron, and more than enough calcium, thiamine, and riboflavin.

An additional 1.7 million persons are participating in the Food Stamp Program. Their diets, too, are vastly improved.

OEO is financing the administrative costs of direct food distribution in a number of counties in Mississippi and other States. But OEO has indicated it will be unable to continue this assistance beyond this year.

To assure the continuance of the programs in these counties and also that we reach needy families in the 331 low-income counties where no program is now available, USDA will provide financial aid.

I have directed our TAPs to work with State and local officials to encourage and help these counties set up food assistance programs. We are also reducing the cost of Food Stamps for the very lowest income families.

This Committee fully understands that rural poverty is a challenge not only to rural America but to all of America. Rural poverty too long neglected is at the root of much of our urban poverty.

The rural poor of yesterday have become many of the city's poor of today -- and if we do not succeed in revitalizing rural America, the rural poor of today will become many of the urban poor of tomorrow.

Space-starved cities and job-starved rural areas are not two isolated phenomena. They are twins. The human alienation and physical dissolution so prevalent in our greatest cities are closely linked to the depopulation and civic hopelessness that have plagued our small cities and rural areas.

It is time that the nation as a whole recognized this fact -- and acted on it.

It is time that the nation as a whole faced up to basic questions. For example:

Is there a desirable maximum size for any one metropolitan area -- if so, what is it?

What are the real economic and social costs of continued depopulation of rural areas and of increased crowding in urban areas?

How much longer can we afford to pay these costs?

I have referred again and again to what I saw on my recent trip to poverty areas. I have done so because I was so deeply moved -- moved by the plight of the poor and their need -- and moved also by the extent of our opportunity.

One cannot see the way these people live -- one cannot talk with them about their problems and what they want out of life -- without realizing that the worst thing about poverty is not that it deprives the poor of physical needs. Far worse than this is the fact that social, educational, and cultural deprivation too long continued can produce a terrible poverty of the mind -- a poverty of the soul.

I thought of the profound statement in the Book of Proverbs:
"The destruction of the poor is their poverty."

Just a little bit more money, education, and training can make such a world of difference.

Among those who are being reached by OEO-type programs -- like Charlie Hamlin -- I found a new spirit -- a spirit of pride in doing for themselves and of hope for the future.

It is summed up, I think, in what a local banker in Centerville, Iowa, said. He remarked that the people were angry when Centerville was labeled a "depressed area," but it got them working to get rid of the label. With the new spark of community spirit and the Federal and State help, he said, Centerville progressed from "an attitude of gloom and doom to one of zoom and boom."

Spurred by this new spirit, rural America is changing. True, there are still too many young people leaving in search of city jobs -- there is still too little business opportunity in the towns and villages -- there are still too many of our farms that are underdeveloped and unprofitable -- there are still too few local processing plants for farm products -- there is still

too much rural unemployment and underemployment -- there are still insufficient opportunities for vocational training -- there is still need for more recreational facilities -- there is still inadequate sanitation, water supply, and disposal facilities, there are still hungry people.

But the poverty straitjacket is loosening. And if we continue to wage our war on poverty and wage it ever more effectively the time will come -- perhaps sooner than we now have grounds for hope -- when the bonds will burst and the prisoners of poverty will be released.

Part of America is affluent -- part is impoverished. But a new note is now emerging. Once again the voice of hope is being heard in rural America. It is in our hands to help that voice be heard at full cry.





Testimony of the Honorable Secretary of Agriculture
Orville L. Freeman
Before the Sub-committee on Employment and Manpower
of the Senate Committee on Labor and Public Welfare
Tuesday, July 11, 1967 - 2:00 p.m.

Mr. Chairman, members of the sub-committee:

I welcome this opportunity to appear before you.

The United States today possesses all the physical resources necessary to insure that every person has the opportunity for a full and nutritious diet. We have the food, and we have the most efficient system in the world to distribute it. All that is necessary is to use these resources efficiently and humanely.

I am confident that a series of proposals, the product of experience and experimentation to expand the USDA's food assistance program, which are now being put into effect in Mississippi will insure that by the end of 1967 an expanded and improved diet will be available to every citizen of that State who requires this assistance.

I want to emphasize, however, that to complete the task of reaching every person in this country today with a full and nutritious diet, we must know more than the fact there are still hungry people. We must thoroughly understand the tools we have --

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the resources, organization and techniques -- and the nature of the difficulties we must overcome to complete the job.

Let me outline those tools and some of those difficulties.

The Department of Agriculture operates two programs designed to provide low-income families with more food than they can get with their own resources. One is a program to distribute food commodities directly, and the other is a Food Stamp Program which enables low-income households to buy more food purchasing power with the money normally spent for food.

The Direct Distribution Program began in the early 1930's as a way to share with low-income families the food commodities which the Federal government acquires under surplus removal and price support programs. The USDA makes these food commodities available to the States, and the States in turn distribute the food to county and city governments. Those who participate in the program are certified as eligible by local welfare agencies, and receive the food commodities at distribution centers provided by local officials.

The Direct Distribution Program as we know it really started in 1954 when the USDA began to pay the cost of shipping the food, a cost paid until then by the States. The program grew from 155 counties in 1954 to over 1,300 in 1959.

In 1960 the Federal food program became a campaign issue. The program was nearly moribund. Only five commodities -- lard, flour, dry milk, corn meal, and rice -- were being distributed with a total value of less than \$1.20 per month, per person.

The cost of distributing these foods in many areas was greater than the value of the food. As a result many States and local governments had refused to enter the program and nearly 200 counties had dropped out from the 1959 peak.

In January, 1961, the new administration doubled the number of food commodities. Later it was increased to 15. The value of products currently being provided is about \$5.55 per person per month, and will increase another \$1.50 this month when we begin distributing butter and cheese. The number of counties participating has increased sharply and today -- including those in the food stamp program -- nearly 2,200 provide a food assistance program for low income families.

More than 3,400,000 persons in nearly 1,400 counties are now participating in the direct distribution program, and can obtain from it over half of the daily caloric intake recommended for an adequate diet. The current mix of commodities now available will provide on a daily basis -- if used -- almost 90 percent of the protein, more than 60 percent of the iron, more than enough calcium, thiamine and riboflavin. Very little vitamin A and ascorbic acid are available as these nutrients are found primarily in fresh fruits and vegetables which cannot be easily handled in this kind of program.

We have long recognized the weaknesses of the direct distribution program. Even as we have improved it, we knew it would never be adequate. While 15 commodities provide more variety than 5, it is difficult for even a highly skilled cook to prepare from 15 commodities the variety of dishes which the average housewife can make from the thousands of food products in today's grocery store. It can be done, but it is not easy.

It is a difficult program to administer, particularly in the sense that it requires us to duplicate the highly developed commercial distribution system.

These and other factors led us in early 1961 to launch by Executive Order the Food Stamp Program as a pilot effort to test whether we could improve the level of food assistance to the poor. It is a distant cousin to the stamp program of pre-World War II days -- a program that died because it ceased to be a food program.

After three years of operation on a pilot basis, President Johnson recommended and the Congress passed the Food Stamp Act in 1964. The purpose was, and is, to help low-income families supplement their food dollars with enough additional food purchasing power to obtain a better diet.

The Congress assigned to the States and local welfare agencies the task of certifying those who are eligible. States are also responsible under the Act for the sale and the security of the food coupons.

The USDA is responsible for authorizing eligible grocery stores where food stamp users can spend the stamps exactly as though they were spending cash. The Federal Treasury redeems the stamps through the commercial banking system.

The Food Stamp Program began with eight pilot projects and an expenditure of a little over \$14 million the first year. It has grown in the fiscal year just ended to cover more than 800 counties and cities. Over 1.7 million people are participating, and the President's budget asks \$195 million for fiscal 1968.

Both the food stamp and direct distribution programs today are supplementing the diets of over five million people. Better than two out of every three counties in the U. S. have one or the other family food assistance program.

Thus, the concept of providing food assistance for low-income families has evolved in three decades from a means of distributing surplus food to a system of increasing the food buying power of low-income families so they can obtain a nutritious diet through the same efficient food distribution system available to all families.

I hardly need recount for you the progress of these programs. The continuing support which is vital to them has not been easy to build or hold. Four votes could have defeated the Food Stamp Act of 1964, and eleven votes could have seriously crippled the program last month when it was considered for extension in the House. We have been successful thus far in obtaining adequate financial support for both programs, but this effort must always be done in competition with all the other programs and needs which the Congress must finance.

However, establishing the programs, and securing the continuing support for them is only the first step toward completing the task of assuring a full and nutritious diet for every person.

Once the programs are available, the second step is to insure they are operated and administered efficiently and effectively, not only at the national level but in the states and counties where they reach the low income family.

And after the first and second steps, we must insure that the participating family is doing an effective job in planning meals and preparing the food required for an adequate diet.

Thus, while we have been able to increase by over 1,000 the number of counties which provide a food assistance program, there are still about 800 where no program is available. Obviously, we are not reaching all the people who are hungry.

Only six States, one of which is Mississippi, now provide complete coverage of all counties with the food assistance programs. There are eight counties in New York which lack these programs, and we estimate nearly 35,000 people could benefit. San Diego, in San Diego County, California, is one of the two major cities in the U.S. which does not participate in or plan to join these programs. We estimated that nearly 75,000 people in San Diego would be eligible for this assistance. My own home county of Hennepin in Minnesota does not participate in these programs, although the city of Minneapolis has a food stamp program. In the Southeast, only 11 counties out of 46 in South Carolina have a food assistance program. In Alabama, only about half the counties provide food assistance. In Virginia, only 6 out of 96 counties make food assistance available.

We have been able to secure food assistance programs in all but 15 of the 100 lowest per capita income counties. However, among the lowest third per capita income counties and those considered to be poverty stricken by the Office of Economic Opportunity, there are 331 counties without these food assistance programs. I am submitting a list of these counties for the record.

In the past two years we have worked closely with OEO on these programs. That agency has underwritten the cost of administration and distribution of food commodities in counties where local tax resources

are inadequate. In Mississippi today, through Operation HELP, OEO is financing some or all the administrative costs of direct distribution in 41 counties. Similar arrangements have been made in 61 counties in other States.

OEO recently has indicated that it must discontinue its financial assistance for these programs by the end of this year. In order to assure that the food assistance programs continue in these counties, and that we reach needy families in the 331 low-income counties where no program is available, the USDA is prepared to provide the financial aid these counties will need to distribute food commodities to low-income families.

At the same time, I have directed the USDA's Technical Action Panel in the States and counties to work with state and local officials to urge and assist those counties which are not participating to set up a food assistance program as quickly as possible. The TAP group is a new instrument we have created in the USDA. It consists of the heads of the USDA agencies in each State, and its job is to make sure that the programs of the Federal government are effectively "reaching out" to the people who need them in rural America.

We estimate this effort to expand the coverage of the direct distribution program, combined with the growth of the Food Stamp Program planned for this fiscal year, will bring the opportunity for an improved diet to nearly a million more people.

However, we know that making food assistance available does not automatically insure that food reaches the people who need it. This is particularly true of our experiences with the Food Stamp Program.

The low-income household has to be encouraged to join the program, and special help must be provided to many families if they are to use the increased supply of food effectively.

The problems involved in these steps of implementation are complex. They make the task of starting a food stamp program seem simple in comparison.

I can illustrate this best with the results of a detailed study of the Food Stamp Program in Washington county, Mississippi. This is a county in the Mississippi delta which has an average per capita income of \$1,094 and where nearly 3 out of 10 families have incomes too low to provide adequate food.

We wanted to know who was participating in the program, and who was not; and why. We wanted to know if the program was constructed so that it excluded some households, or if there were other reasons which made it difficult to reach hungry people.

The results of this survey, a copy of which I submit for the record, reveal a situation and a set of conditions which has been all but hidden from the eye.

Everyone has come to assume that the families who are not receiving the food assistance they need were those with many children who lived in rural areas away from town, who did not receive public assistance and who had no income.

The survey did identify some households like this, but it found another and much larger group which the Food Stamp Program was not reaching.

Over half the families which are eligible are not participating. They generally live in towns; they are, by and large, urban families. They are likely to be receiving welfare payments, and the size of the household is either small -- from one to three, or very large with incomes near the upper limits of program eligibility.

Nearly seven out of ten of the eligible urban households are not participating.

The households participating in the program generally are rural families of large size. They do not receive public assistance as a rule and have incomes ranging from only a few dollars to more than \$200 a month.

Nearly seven out of ten of the rural households eligible for food stamps are participating in the program.

When families were asked why they did not participate, most said that the stamps cost too much or that they did not have enough money.

However, we found that nine out of ten of these families actually spent more money -- in some cases, substantially more -- than they would have had to pay for stamps.

Both statements are consistent and can be understood in relation to the way low-income families earn money and buy food. Money is earned in small amounts and food is purchased mostly as it is needed. Thus, while the cost of a particular food item is always known, families generally are unaware of how much they spend over a month for food.

Thus, the real task we face in getting more people to participate in the Food Stamp Program is to show the low-income family that food stamps will help them buy more food ... and more of the items they need for the family.

We cannot do this by sending them a postcard, or by making speeches, or by getting newspapers to print the story. The only effective way is to work directly and personally with low-income families to explain the program and to show them how they can benefit directly from it.

As a result of this study and other surveys we have made, I have made a number of changes in the Food Stamp Program which are now or shortly will be in effect in Mississippi -- and which will be extended to other States as rapidly as possible.

First, recognizing that families with no visible income, or at best intermittent employment, find it hard to pay even \$2.00 a month per person, I am reducing the purchase requirement for the lowest income category to 50 cents a person per month. This is now in effect in Mississippi. It means that a family of six or more which has been paying \$12 a month to get \$72 or more in stamps, now will pay only \$3 to receive the same amount.

The payment rate for the next two lowest levels also is being adjusted downward, and we are studying additional changes as well. Further, I have asked the States to assure me that where even this minimum payment would prevent a family from participating, the local county government will take steps to meet this cost. In most areas of the country where there is no regular general assistance program, the county now arranges to cover that portion of the purchase price for the very low-income families. If the counties are unwilling to do this, then we will find another means to qualify these people.

Second, in view of the difficulty a family has in putting together enough cash to enter the program and pay its back bills at the same time, I am reducing the purchase price by half for the first month for all new participants.

This will enable them to get a head start on old bills, and, once in the program, they will be able to better meet other obligations.

Third, we will begin to hire people in Mississippi this month who live in the neighborhoods where low-income families reside to serve as Food Stamp Aides. They will be a communications link between the poor and those who operate the program at local, State and Federal levels. The program aide will explain the program to those who are not participating, assist them to become eligible and help them to begin using food stamps.

After the initial phase, the program aides will continue to work with the food stamp families to teach them to prepare nutritious meals and provide training in food buying and other household skills.

The program aides also will help resolve complaints and misunderstandings about the program as they arise, and alert the program staff to errors in certification and to any problems encountered at grocery stores in the program.

Until the program aides are operating in full force, we are developing a special outreach effort through the State TAP to contact and encourage all eligible households in the food stamp counties to join the program if they are not already participating. In addition, the State extension service is designating a liaison person in each county to work with State welfare personnel and the food stamp staffs to develop an educational program to reach eligible families.

We also are asking OEO to make the resources of its Community Action Program in these counties available for an outreach program on an individual family basis.

Fourth, we will enlarge the number of USDA food stamp offices from five to ten in Mississippi to provide more intensive supervision to the effort to bring more low income families into the program.

Fifth, we are working with the States and counties to simplify the certification procedures, especially to reduce the time involved in waiting at the welfare office and eliminate many return visits.

Sixth, we are going to make additional studies similar to the Mississippi survey in other areas to determine if further adjustments should be made in the program, either on a regional or national basis.

I believe these changes and modifications represent the kind of experimentation which must go into any project which has so massive and difficult an objective as insuring that every person has the opportunity for a full and nutritious diet.

I also want to make it clear there will be further adjustments and changes in these programs as there must be in any programs that are so directly involved with the day-to-day lives of people who need help. We are, for example, studying the impact of the new minimum wage law on Southern field workers. We know this action is changing the work periods and seasonal income patterns, and we will have to determine what changes need to be made in our seasonal certification requirements.

In addition, we need to develop a special program in cooperation with health authorities for those families where dietary deficiencies are causing serious health problems. But we first must

identify those families, and then we must know what those health problems are, and what kind of a diet is required to treat them.

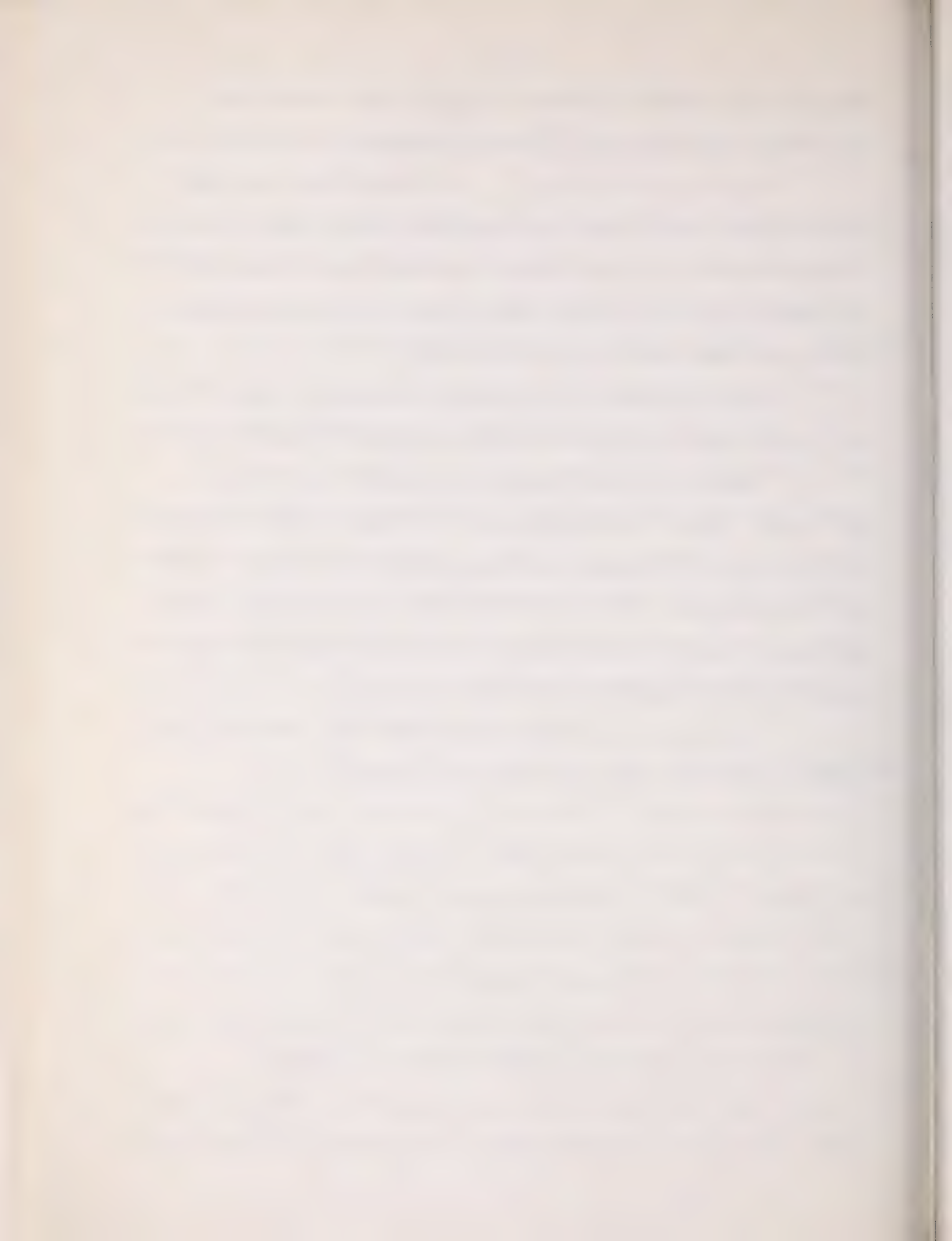
But we have the programs and we have built the staff (some 900 USDA employees now work in the food stamp program) necessary to carry them out. We have developed the techniques to bring food assistance to those in need and to reach the low income family to help them make the best use of this food.

We have launched the big drive to complete the task of making our food abundance fully and effectively available to all persons.

However, I am not so naive as to believe the USDA can do this alone. We will need and appreciate the help of this committee and the Congress to encourage additional counties to utilize the food assistance programs. We need the help of all groups concerned about and working with low income families to encourage those who could benefit from the programs to participate in them.

With this kind of help, we can do the job. Without it, we cannot complete the task efficiently and quickly.

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INTERNATIONAL PLATFORM ASSOCIATION

Opening Statement

Secretary of Agriculture Orville L. Freeman

Today this nation has all of the physical resources needed to insure every American a full and nutritious diet.

We have the food. And we have the best system in the world to distribute it.

But we still have hungry and malnourished citizens in this country.

Overseas, 150 million tons of American food at a cost of over \$20 billion have been used to feed hungry people since 1954 ... yet the spectre of famine still shadows the earth.

I say this to make it clear at the outset that I am not satisfied the optimum use of America's food abundance has been made or is being made. I'm sure the President shares my conviction.

The irony of food abundance and unmet need was the critical factor that persuaded me to accept the job of Secretary of Agriculture. The continuing challenge of that dichotomy keeps me at the job.

But the obvious need for better use of our food abundance does not mean we haven't made progress. Quite the contrary!

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The record will show -- critics notwithstanding -- that in the past six and one-half years this Administration has made more and better food available to more hungry people ... at home and abroad ... than all previous Federal administrations combined.

Take the matter of domestic food programs for the needy.

Today over five million people in 2,200 of the nation's 3,000 counties get Federal food assistance.

The Department of Agriculture has two programs to provide low-income families with more food than they can get with their own resources. One program distributes surplus food commodities directly. The other is a Food Stamp program which enables low-income households to buy more food purchasing power with the money normally spent for food.

The Direct Distribution program, as we know it, really started in 1954 (although a predecessor program became operative in the early 1930's.) In 1954 the USDA began to pay the cost of shipping the food, a cost until then paid by the states. The program grew from 155 counties in 1954 to over 1,300 in 1959.

But by 1960 the program was in bad shape. Only five commodities -- lard, flour, dry milk, corn meal, and rice, with a total value of less than \$1.20 a month per person -- were being distributed in only 1,200 counties and cities. The cost of distribution in many areas was greater than the value of the food.

As a result, many State and local governments refused to enter the program and nearly 200 counties had dropped out from the 1959 peak.

But, in January of 1961 the new administration doubled the number of commodities, and later increased it to over 15. The value of products currently provided is about \$5.55 per person per month. With the addition of butter and cheese this month, this total will increase another \$1.50. The number of counties participating has increased, and today more than 3,400,000 persons in nearly 1,400 counties are now participating in the direct distribution program.

We have known for some time that the direct distribution program, as worthwhile as it has been, would never be adequate. While 15 commodities provide more variety than 5, it is difficult to prepare from 15 commodities the variety of dishes that can be prepared from the thousands of food products in today's grocery store.

Moreover, it is a difficult program to administer. It is wasteful in the sense that it duplicates the highly developed commercial distribution system.

Early in 1961, these and other factors led to the launching, by Executive Order, of the Food Stamp Program as a pilot effort to test whether we could improve the level of food assistance to the poor. After 3 years of the program on a pilot basis, the President recommended and Congress passed the Food Stamp Act of 1964. Its purpose was, and is, to help low-income families supplement their food dollars

with enough additional food purchasing power to obtain a balanced diet. People are required by law to invest what they have been spending for food. They receive in stamps the difference between that amount and what is necessary for an improved diet.

The USDA is responsible for authorizing eligible grocery stores where food stamp users can spend the stamps exactly as though they were spending cash, but the Congress assigned to the States and local welfare agencies the task of certifying those who are eligible. States are also responsible under the Act for the sale and the security of the food coupons.

The Food Stamp Program began with eight pilot projects and an expenditure of a little over \$14 million the first year. It has grown in the fiscal year just ended to cover more than 800 counties and cities. More than 1.7 million people participate, and the President's budget asks \$195 million for fiscal 1968.

Thus, today more than 5 million needy people in more than 2,200 counties and communities are getting food assistance.

But establishing programs and securing continuing support for them is only the first step toward completing the task of assuring a full and nutritious diet for every person. Once the programs are available, the second step is to insure that they are operated and administered efficiently and effectively, not only at the national level but in the states and counties where they reach the low income family.

And, after the first and second steps, we must insure that the participating family does an effective job in planning meals and preparing the food required for an adequate diet. The Food Stamp Program is not a welfare program as such. It is a food program, a nutritional program, and teaching proper nutrition is an integral part of the program.

We know we're not yet reaching all the people who are hungry. But we've made striking progress, and we're stepping up our efforts. This month we instituted changes in food assistance programs that will make possible an expanded and improved diet for every citizen of Mississippi who needs this assistance. The changes effected in Mississippi will be put into effect in other states over the next month.

These changes include: (1) Reducing the investment price for food stamps in the lowest-income category from \$2 per person per month to 50 cents. This means a family of six or more who had paid \$12 a month for \$72 or more worth of food coupons will pay \$3 and receive the same amount of coupons. No family in this category will pay more than \$3, and where families cannot pay even this amount, the counties will be expected to provide the payment from local sources. (2). Dropping the purchase price for all persons and families by half in the first month they participate. (3) Hiring people who live in low-income neighborhoods to serve as "program aides" to assist families to join the program and to work with them

to correct problems that may develop as soon as they occur. (4) Setting up nutritional education programs for low-income families in every county. (5) Increasing the number of food stamp advisory offices. (6) For counties with inadequate tax resources Federal financial assistance to start a commodity distribution program will be made available.

In the long run, of course, food assistance programs are but stop-gap measures. The real problems of hunger can never be completely solved until the root causes are exposed and attacked. The long run solution lies in opportunity for better education, more jobs, better income, housing ... and the inspiration of incentive.

But in the interim President Johnson and this Administration are committed to the goal of a full and nutritious diet for every American. This will not be easy. It will require State and local cooperation far beyond what we have experienced to date ... It will require an intensive personal contact and education effort to reach families who do not yet participate in the program ... It will require the willingness of the American people and the Congress to provide the funds necessary at an estimated three times the current level.

The problems inherent in the domestic food assistance programs point up the obvious lesson that the challenge of wise food use is far too sophisticated for simple answers. This becomes

dramatically clear when battle plans are developed for the War on Hunger around the world. The United States has never fought a more important war. An estimated 2 billion of the world's people are hungry or malnourished. Regardless of population control measures, there will be another billion mouths to feed by 1980.

The world will never know peace and security while the spectre of mass famine stalks this planet. With the possible exception of nuclear control and disarmament, winning the War on Hunger is the world's greatest challenge.

The easy answer in the War on Hunger has been, and is, "grow more and give more away." But this answer flies in the face of logic ... and in the long run is self-defeating.

From 1954 through the end of this year, the United States will have spent more than \$21 billion to carry out the Food for Peace and Food for Freedom programs.

At the end of the first 12 years of Food for Peace we discovered a discouraging fact. Some of the recipient countries were "hungrier" than they were before, and few were appreciably better off. It appeared that we were losing the war.

Clearly it was time to take a long, hard look at Food for Peace. What we concluded as a result of that long, hard look was reflected in the Food for Freedom bill passed last year.

We have learned that:

1. Food aid must be geared to "effective demand," a complex yardstick that must take into consideration the following factors:

a. Logistics -- the amount of food aid a recipient country can handle at receiving ports and distribute with maximum effectiveness.

b. The amount of food aid that will do the most good while doing the least harm to the economy of the receiving country.

c. The amount of food aid that will meet immediate people needs ... but will not weaken or destroy incentives for producers or effort and investment by the receiving country to develop its all-important agriculture.

It has now become overwhelmingly evident that:

1. The developed nations cannot provide the food needs of hungry nations with exploding populations indefinitely.

2. Ultimate salvation for the hungry nations lies in their success in bringing their own agricultural systems to self-sustaining levels. The developing nations must win the War on Hunger themselves.

3. That we can hasten that day by concentrating more on exporting to them our technical skills and scientific knowledge ... and less on indiscriminate food aid.

4. That multi-lateral or consortium approaches to food aid must be encouraged to share the burden, increase the supply, and make such aid politically tolerable.

Recognition of all these facts formed the consensus that extended P.L. 480 as Food for Freedom in 1966. The condition of self-help as a pre-requisite to obtaining food aid is explicitly spelled out in this legislation. The President's firm support of the self-help philosophy was made clear in his Food for Freedom message when he said the key to victory is self-help ... and aid must be accompanied by a major effort on the part of those receiving it.

In closing, let me emphasize that throughout the entire period that I have been Secretary of Agriculture -- with the exception of a few commodities for short periods -- our food supply has been adequate to meet all effective demand, domestic or foreign.

The actions taken last year to increase acreage allotments were made to insure enough wheat in what was then a predicted tight world-supply situation.

This year, with bumper all-time high USSR and Canadian crops behind us, the world wheat supply is up. Supply is adequate to meet careful estimates of effective demand, so as Secretary of Agriculture I cut acreage somewhat for next year to avoid building up a price-depressing and costly surplus.

Last year's decline in P.L. 480 concessional sales and donations from the previous marketing year level came about primarily because concessional sales were substantially replaced by commercial credit sales, and because the Congress had declared Yugoslavia and Egypt ineligible.

An unexpected domestic shortage of milk temporarily curtailed dry milk powder shipments. This important source of protein is now being replaced in feeding programs around the world by CSM, a new, more efficient, more economical protein concentrate.

A threatened short supply early in the year slowed up commitments, but the threat proved to be a false alarm. Donations in 1967 will be approximately equal to those of 1966.

This nation can be proud of its programs to help the hungry and the needy. They constitute the greatest humanitarian outpouring of bounty and effort in the history of mankind. Yet much remains to be done.

This Platform Association and its articulate and respected members -- who reach millions with both spoken and written word -- can contribute importantly by helping the American people to understand and thereby to support the wise, prudent and generous efforts that must be made if one day we are to proudly say that none of God's children go to bed hungry.

Only then will we have a world of peace and security.

It is a privilege for me to be here. I am honored that the members of the National League of Cities in this time of distress -- and of tragedy in so many cities -- are willing to take precious time to meet with a person who is rural-oriented.

Your problems are acute. They are "right now" problems -- and what I have to say offers no solutions for "right now."

The American farmer, and the United States Department of Agriculture, can and will -- when asked -- feed those city people who today stand, bewildered, in the ruins of their neighborhoods. That is all we can do "right now."

But the fires will die; the smoke will drift away...for as Ernest Hemingway said, "The Sun also Rises."

And it is in that spirit -- looking beyond your agony, which is the agony of a nation -- that I am here today.

I am here because we who represent rural America -- and that includes the three-fourths of us who do not live on farms -- believe that country people and city people must help each other.

The more optimistic of us -- and I hope that includes every person in this room -- prefer to call problems challenges...challenges to be met and conquered.

Address by Secretary of Agriculture Orville L. Freeman at Convention of the National League of Cities, Sheraton-Boston Hotel, Boston, Mass., at Noon, Tuesday, Aug. 1, 1967.

And in that spirit, I take this occasion to make an announcement, and to issue an invitation to a symposium this December in Washington, D.C., sponsored by six members of the President's Cabinet -- Secretary Trowbridge of Commerce, Secretary Wirtz of Labor, Secretary Gardner of Health, Education and Welfare, Secretary Weaver of Housing and Urban Development, Secretary Boyd of Transportation, and myself.

It will seek to bring together the best minds in the world to discuss and to "brainstorm" what is certainly one of the most urgent and important questions of our time. Should we try to check the accelerating movement of people from country to city?

Today, 70 percent of our people live on 1 percent of the land, 30 percent on all the rest.

Is that good for the people and the nation? If not, why not?

Should we have a clearly defined policy of urban-rural balance, or should we let matters drift?

Should we give a high investment priority to building up opportunity in rural America, or should we resign ourselves as a nation to larger and larger cities?

These questions demand an answer while there is still time to act.

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There will still be 3,628,150 square miles of America in the year 2,000, but there will be 100 million more Americans. Where should they go?...Where can they go?

As of today, we do not know. There are differences of opinion within the Federal government and without.

There is no national consensus, no national policy for urban-rural balance.

This meeting in December will be a first infant step toward charting a national course for our people and their land...a course looking beyond the congestion, pollution and strife of today toward the Communities of Tomorrow -- the communities of the year 2000 and of 300 million Americans.

On behalf of my Cabinet colleagues and myself I invite you to this "Symposium on the Communities of Tomorrow -- How Rural? How Urban?"

Please keep the week of December 11 free on your calendar.

Walt Whitman, about a hundred years ago, said:

"There was a child went forth every day...

"And the first object he look'd upon, that object he became,

"And that object became part of him for the day or a certain
part of the day,

"Or for many years or stretching cycles of years."

What objects will the children of the year 2000 look upon? What will become part of their years or stretching cycles of years?...A flower?... a green frog?...a dead rat?...a rusty garbage can?

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That will be the basic question of the December symposium.
I urge you to participate.

In discussing the challenges we face now and will consider in December, it will be useful, I think, if I give you, very briefly, my views of where we are and how we got here. Then I would like to tell you a little about what I feel rural America can do to help in this time of distress, what it already is doing, and what it can do.

And I will close with a quick sketch of what I think we all can do, and what we all can have if we put our minds to the task.

Something happened in this country 50 years ago that pointed to this period in time...the period in which less than 30 percent of the people live on 99 percent of the land, and the rest are jammed onto the concrete and asphalt of the space that remains.

This thing happened about 1917...and it manifested itself as a statistic three years later in the Bureau of the Census. It was this: For the first time, more Americans lived in the city than in the country.

We all know what happened: After that, it was impossible, as the song of that era said, to keep the young men "down on the farm, after they'd seen Paree"...or New York, or Minneapolis or Dubuque, or any other city.

The movement was on, and it set us on a collision course with our environment. And, in my opinion, it is no longer a collision course.
We have collided.

The fireman who died with a bullet in his head collided with his environment...So did the slum child killed by rats...And the boy who can't swim in the polluted Potomac...And the sharecropper -- jobless...broke -- who takes the long trail north has collided with his environment.

And you might ask the people of Los Angeles, where, I am told, they wake up many mornings to the sound of birds coughing, if they've collided with their environment.

So let's get rid of the notion that a collision is imminent. It has occurred.

Rural Americans have seen the fires on television and in their papers. Some of you have felt the heat of the flames, and smelled the smoke.

This is one result of the 50-year march to the cities: Discord, riots, fires -- and human isolation in the midst of almost incredible human congestion.

And the condition feeds itself as more people, most of them poor and ill-equipped for jobs, are piling in, leading more of the affluent to pile out.

They flee to the suburbs -- isolated enclaves, each planned of itself and for itself.

They might be called ghettoes of affluence, in the sense that a ghetto is a section apart.

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Metropolis today, it seems to me, too often consists of scores of these white collar and blue collar ghettos ringing the impoverished ghetto of the inner city, with little communication between the outer ghettos and absolutely none with the inner.

It is a stratified, isolated existence in which human beings have lost rapport with other human beings of differing economic status, differing color, differing politics. We have lost the mix, the melting pot atmosphere that was basic to making this nation great.

What is this paradox of isolation and congestion costing us?

No one can put a price on a human life or on human dignity, but it is possible to estimate congestion's material cost to the cities. A special committee of your executive committee last March estimated that America's cities face a staggering revenue gap of \$262 billion over the next 10 years.

Last year, Mayor Davis of Kansas City told a reporter:

"I face the fact that a city can get too big simply because the cost of providing services increases all out of proportion to total population growth.

"That is perfectly clear when you put it on a per capita basis, which is about \$120 a year in Kansas City. In a city twice this size, per capita costs would rise to more than \$200 a person."

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When a New Yorker moves to the suburbs, he not only takes his paycheck with him and goes off the city's tax rolls, he costs the city \$21,000 in capital outlay required to provide facilities so he can drive to and from work in the city every day.

The outlay required for every added commuter car in Washington, D.C., is even higher -- \$23,000.

Contrast this with the street department budget for the entire year in Fargo, a North Dakota city of 50,000, which this year will spend \$487,000 on all its transportation facilities.

This is what Washington must spend to add only 21 commuter cars.

I don't need to tell you that there is a glut of people piling into our already over-piled cities. But perhaps you did not know that, in addition to your natural population gains, people are coming to you from rural America at the rate of 500,000 to 600,000 a year, most of them displaced persons, displaced from the countryside by the very agricultural technology that has produced so much for so many.

Studies show that these migrants from rural America are over-concentrated in low-income jobs.

The signs of their departure are becoming increasingly evident: The boarded up store front, weeds standing tall around the vacant service station, and the growing ratio of older people on the farms and on the sidewalks of what remains of Main Street.

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In rural America -- on the farms and in the small towns -- 177 boys are reaching age 20 for every 100 older men who will vacate existing jobs in this decade.

With no alternative, these boys must join the march to the cities, and here, in my opinion, is where rural America can help you at the same time as it is helping itself.

Paul Goodman put it very simply. He said, "Let us revive the countryside by using it to solve urban problems."

And the key to how it can help you, lies in something your president, Mayor Tollefson of Tacoma, said:

"We cannot wait for all of the answers before we undertake the task," he said of the effort required of you, and then he continued, "We must move on. We know we can never get ahead; it is perhaps impossible to keep abreast; but we must run as fast as we can to stay as close behind as possible."

I believe most of these migrants would prefer to stay in the countryside. If we succeed in giving them a chance to do so, I believe it will mean to our great cities a little more room, a little more breathing space in their fight to survive...to the point where you can run as fast as you can with some hope, at least, of catching up rather than staying as close behind as possible.

I consider it a tragic waste of human lives and of land that less than 3 out of 10 Americans live on 99 percent of the land, while the rest are jammed onto the remaining 1 percent -- and the pile-up continues.

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There is a growing awareness of this rural-urban imbalance, and a growing resolve, at least in rural areas, that it must be corrected and that the endless migration that is compounding your agony must be halted, and even reversed.

First steps have been taken. Judged against the magnitude of the task, they are limited steps, but the countryside is stirring, there is dynamic motion and positive action in some rural communities.

Recently, important Federal legislation designed to help local leaders has been passed -- and they are using it!

This is what Harry Martin, Executive Director of the Community Development Foundation in Tupelo, Mississippi, where I visited late in June, had to say:

"We have tried to take advantage of all these programs -- Urban Renewal...OEO...FHA. We have used programs of the Extension Service, the Farmers Home Administration and the Soil Conservation Service -- everything that will help our people."

The community also uses programs of the Department of Labor, and of Health, Education and Welfare, and of the Small Business Administration.

All these Federal programs are the product of a President who cares and a Congress that cooperated with him to provide new and important tools for city and country alike.

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Tupelo is a dynamic example of non-metropolitan development. It is a city of about 25,000, the hub of a principal trade area comprising 7 predominantly rural counties in Northeastern Mississippi. Twenty-six development communities, some villages, some open country, lie in the area.

Twenty years ago, Tupelo set out, as Martin put it, "to break down the barriers between rural people and city people" and to create an area community capable of growing and developing of itself.

It has used enlightened, dynamic local leadership, a corps of willing businessmen, and every government tool that was adaptable, with dramatic results.

Today, the 7 counties have one of the best diversified farm programs in the South.

Tupelo and the seven counties have meat packing, poultry processing, oil mills, fertilizer, and other plants.

They have two watershed projects.

They offer such things as manpower training, on the job training, and a medical center training program.

In 1950, there were just under 7,000 manufacturing jobs in those seven counties...by 1966 there were 23,675 -- nearly 17,000 more paychecks.

Payrolls, retail sales, wholesale sales, bank deposits, population -- the statistics in Tupelo all are up...some nearly 10 times from 1950.

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Tupelo proves that where you have space and opportunity, you can halt the flight to the cities.

But opportunity does not just happen; it can't be bestowed by a benevolent government. George McLean, editor of the Tupelo Journal and a leader in that community's crusade for rural-urban balance, said this:

"Too often we stress agencies, plans, projects -- and neglect the fundamental, which is action at the grass-root level.

"Unless you have local people who see the local need and who are willing to sacrifice time, money and effort for the good of their own community, you are not going to achieve very much."

Tupelo has them, and there are other districts such as Tupelo across the country...moved ahead in varying stages of growth.

But we need many more, and, to simulate action by more leaders in more communities, the Department of Agriculture has formed what we call Technical Action Panels, reaching into every State and most of the counties.

They are there to help local people develop local plans for local problems, to provide technical assistance and to make sure that local leaders are aware of what government programs, in any department, they might use to meet their particular problems.

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We can all take encouragement from the fact that progress is being made to build rural America. A rural renaissance is beginning. But we have only begun and the challenge is great. While I have been talking here today, more than 400 new Americans have been born; they are arriving at the rate of one every 7-1/2 seconds. By the year 2000, there will be 100 million of these new lives, and that is a conservative estimate.

Those born today, and in the next few years, will be the fathers and mothers of the year 2000, and their sons and daughters will be the grandchildren and great-grandchildren of many of us in this room.

How about those of us who are still alive when these new citizens ring out the 20th Century -- our century -- on December 31st, 1999 -- will we be able to look into their eyes?...Or will we be afraid to, because we failed to accept the fact that they were coming, and we failed to prepare a place for them?

Projections are, that unless the countryside is ready and able to offer them something, they will all pile into the metropolis, most of them crowded, at the rate of 1,192 per square mile, into five vast strip cities.

Is an airless, waterless, joyless -- and perhaps hopeless -- existence the inevitable heritage of the citizens of the year 2000?

I do not believe it. And neither do you, or you would not be gathered here.

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But some of you do believe that meta-megalopolis is inevitable -- and perhaps even desirable -- as an economic and demographic fact. And you are struggling mightily with plans to put the air, the water, the joy...and the hope into the 240 million lives that will be crowded into 8 percent of America's space.

I disagree...I see a different America in the year 2000.

I see a countryside dotted with clusters of renewed small cities... new towns...growing rural communities (where the birds don't cough.)

I see each cluster with its own jobs, its own industries, and with its own college or university.

I see each with its own medical center, and its own cultural, entertainment and recreational centers.

I see farms in these clusters...and an agriculture fully sharing in the national prosperity.

And, standing tall, I see our great cities -- intact, but changed... free of smog...free of blight...free of despair.

I see 300 million Americans, living where they choose...at ease with each other, and with their environment.

That is my vision of America. It is one that I believe we can achieve only by a total national commitment to urban-rural balance, to the purposeful, proper use of space -- space that now is measured through a green meadow to the grey granite of a distant mountain by some...and through a broken window to a dirty air shaft by all too many others.

If I am wrong -- if it is proper to turn our backs on the countryside in meeting the challenge of population, let us do it. But let us do it with purpose, with the knowledge that it is what we should do.

That is what Secretary Trowbridge, and Secretaries Wirtz, Gardner, Weaver, Boyd -- and you and I -- are going to talk about in Washington in December.

We need your help and that of business, industry, farmers, architects, engineers, labor unions -- of every thinking American -- for a total effort is required to meet this challenge.

And we must meet it, because when we are talking about 300 million Americans in the year 2000, we are talking about 300 million human beings.

Human beings...they come in black, red, white, yellow, brown, and almost any shade you can name in between.

But what are they?

They are the meanest of us, and the best...the richest, and the poorest.

I think a Russian author suggested it best, in a great novel which he could not even publish in his own country.

As I understand him, he viewed the human being as an accumulation of memories...of a wedding day...of caps and gowns...of poppies in a shell-torn pasture...of a burning police car...of a baby's unspoiled laugh...of prison bars...of funeral flowers on a grey November day.

And then he suggested that if you peeled ~~away~~ the memories, layer after layer, you would find, at the very center -- naked...shivering -- a soul.

And you would find that soul in the meanest of us and the best... the poorest and the richest...and in all colors of us.

That is what this challenge is about, and that is why we must stretch our minds to meet it.

Those who settled this land stretched their minds to the first mountain range; then across the plains and the rivers, and on to the next range. Beyond it they found the ocean. It was the end of the land... and to many, the end of the frontier.

But I refuse to believe those who wring their hands and say there are no more mountains to climb, and no more rivers to cross.

What Captain William Clark, who led the way to that ocean, said, is as appropriate today as it was at the time of his expedition.

You can see the legend on the huge painting, "Westward the Course of Empire Takes its Way," on the stairs from the House Gallery in the Nation's Capitol.

It reads: "The spirit grows with its allotted space; the mind is narrowed in a narrow sphere."

In this national effort to build the Communities of Tomorrow, our minds will move in a limitless sphere, a new dimension -- that of the human spirit.

It is a frontier that is vaster and incredibly more complex than that of Lewis and Clark, or even that of the men who now send rockets to the moon and beyond.

On this frontier, our rivers are apathy...our mountains are prejudice. These are the barriers to the course of our Empire.

I can think of no better watchword for this difficult journey than human dignity...and no better epigraph than James Agee's vision of every human being as an "incommunicably tender life...wounded in every breath, and almost as hardly killed as easily wounded...sustaining, for awhile, the enormous assaults of the universe."

Mr. Agee, who wrote with reverent insight of the dignity of the rural poor in the 1930's, died 12 years ago.

He has been spared this new laceration of the nation's soul. But I firmly believe that if he could come back as the New Year bells of 2000 are ringing, his fretful heart would be eased.

I believe that because I believe those of us today who are alive in that year will be able to look into the eyes of 100 million new Americans.

We will do so because here...in the "olden days"...the year 1967...we stood up to the challenge to our future and to their present -- and we met it!

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USDA 2425-67

Yesterday noon, speaking to your "urban cousins" of the National League of Cities, in Boston, I issued an invitation to one of the most important symposiums that will be held during this -- or any other -- year.

I repeat this invitation to the National Association of Counties, for the subject we will discuss next December 11, in Washington, is of the utmost importance to city and country alike.

The symposium will be sponsored by six members of President Johnson's Cabinet; Secretaries Trowbridge of Commerce, Wirtz of Labor, Gardner of Health, Education and Welfare, Weaver of Housing and Urban Development, Boyd of Transportation, and the Secretary of Agriculture.

Attending will be the world's top urban planners, demographers, rural sociologists, economists and others -- all who can bring expertise to bear on the twin National problems of rural depopulation, metropolitan impaction, and what to do about them.

Today, 70 percent of our people live on 1 percent of the land, 30 percent on the other 99 percent.

Is that good for the people and the nation? If not, why not?

Should we have a clearly defined policy of urban-rural balance, or should we let matters drift?

Should we give a high investment priority to building opportunity in rural America, or should we resign ourselves as a nation to larger and

Address by Secretary of Agriculture Orville L. Freeman at the annual convention of the National Association of Counties at 10 a.m. (EDT) August 2, 1967, Detroit, Michigan.

larger cities?

These questions demand an answer.

I did not come here this morning as yet another expert, diagnosing the ills of urban areas, nor did I bring a black bag full of wonder drugs to cure them. In truth, there are no instant diagnoses or cures.

I did come here, however, to say that the ills of the city can never be cured in the city alone. It will take action in both rural America and the cities.

As this Nation probes deeply to discover what is wrong in the city, and prepares to invest more time and resources toward a solution, it would be a grave mistake to close our eyes to what must be done in rural America to solve its problems.

We will be talking about these problems in depth next December in Washington. I believe if we had recognized, and acted upon, the twin

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problems of urban depopulation and urban impaction a generation ago, that both our cities and rural areas would be considerably different -- and better -- than they are now.

Allowing yet another generation to pass without discussing and taking action on the basic and fundamental problems of rural depopulation and urban impaction will merely heighten the American dilemma, not help it.

And so time, indeed, is running out, and I feel a sense of urgency about problems like these:

By the turn of the next century, 32 years and 5 months from now, 100 million more Americans will be added to our present population, and of these, nearly 80 million are expected to settle in urban areas.

A hypothetical city to contain 80 million people, at the present urban density average of 3,113 people per square mile, would be eight miles wide and stretch, in an unbroken line, from Ocean City, Maryland, on the Atlantic...across the Mississippi, over the crest of the Rockies, and end in the Pacific Ocean, somewhere west of San Francisco.

Such a city, obviously, won't be built. According to all the projections, the new population will be crowding into existing urban areas, most of these already strained at the seams to provide essential public services, jobs and education for their present residents.

I feel a sense of urgency about this, too, for I feel that the cities have done a massive job, largely unappreciated, in trying to meet their

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problems over the past decades. But despite their valiant efforts, they have been severely strained in trying to keep up with the problems they already have, to say nothing of the problems which explosive growth has foisted upon them.

It's as if we were all passengers in a bus, roaring down the highway at 60 miles an hour, and developed a flat tire. A tire is an easy thing to change, if the bus is stopped, but it's impossible when the bus is moving. And that's the situation the cities find themselves in today--the influx simply won't slow down and the passengers are getting severely jolted.

There are many in the Nation who believe we shouldn't attempt to slow down the bus--but, rather, devise a way to change tires while it's moving.

This school of laissez-faire demography would argue (1) that urbanization in this country has been going on for a very long time, (2) that it is a world-wide phenomenon and, finally, that concentrations of people are necessary for culture, education, and commerce and industry to function.

All of this is true.

My point of divergence with this argument comes when we carry it to its logical conclusion, which is this: That further urbanization ... without boundary, without plan, without end, is both desirable and inevitable. For that is exactly where laissez-faire demography is taking us.

This isn't to suggest for a moment that the problems of the cities are hopeless, or that we shouldn't try to solve them. I am suggesting,

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however, that with continued uncontrolled growth, we are merely storing up and compounding more of the same problems that we have been unable to cope with in the past.

One of them is water, air and noise pollution which overload and short-circuit the capacity of nature to deal with them, when too many people crowd into too-little space. Another is resource exhaustion, such as the partially-man-made drought suffered by the Northeast in recent years. Still a third is the spectre of large-scale, unplanned weather modification, which some scientists believe now may be occurring because of massive carbon dioxide and heat generated by super-megalopolis.

But in the affairs of mankind, as well as in the lives of individuals, there are alternatives, choices, different roads. And doing nothing is as real an alternative as any other. This is the course we have followed in the past.

I suggest that before we travel any further down this one-way road, we consider our ultimate destination.

First is the dollar cost.

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I have no argument with spending dollars to cure the cities' ills. But it should be clearly understood that the dollars needed to provide essential services for each new resident rise rapidly as the size of the city increases past a certain point.

Last year, Mayor Davis of Kansas City told a reporter:

"I face the fact that a city can get too big simply because the cost of providing services increases all out of proportion to total population growth.

"That is perfectly clear when you put it on a per capita basis, which is about \$120 a year in Kansas City. In a city twice this size, per capita costs would rise to more than \$200 a person."

When a New Yorker moves to the suburbs, he not only takes his paycheck with him and goes off the city's tax rolls, he costs the city \$21,000 in capital outlay required to provide facilities so he can drive to and from work in the city every day.

The outlay required for every added commuter car in Washington, D.C., is even higher -- \$23,000.

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Contrast this with the street department budget for the entire year in Fargo, a North Dakota city of 50,000, which this year will spend \$487,000 on all its transportation facilities.

This is what Washington must spend to add only 21 commuter cars.

But dollars are only part of the equation. We must also consider the human costs of packing more and more people into less and less space.

"Alienation" is a word in wide currency in the American vocabulary recently. Webster defines it as "inimical or indifferent, where devotion or attachment formerly existed." It comes from the Latin, "alienus,".."another; foreign, strange, not belonging or owing allegiance."

The definition very adequately describes large segments of our urban population...Americans all, but aliens in the land of their birth.

They have been affected by forces far beyond their control; the technological revolution in agriculture, which in a span of a half-dozen years, to cite just one example, reduced the need for harvest farm labor in the Mississippi Delta from 750,000 man days down to 95,000; by a revolution in cybernetics which has drastically reduced the need for unskilled factory labor; by an economy which demands educated, skilled workers, and has no place for those without the proper credentials.

There was no place for these aliens where they were, and so they migrated, in the greatest human wave within one nation that the world has ever known. In our generation alone, four million left the South, most of

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them for just six states, California, Illinois, Michigan, New York, Ohio and Pennsylvania.

All too often the migrants found their trip a cruel game of musical chairs, played to discordant harmonies, with no jobs at the start, none at the end, and only squalor in between.

Nor is alienation confined to the poor and deprived. Each successive pulse of growth in megalopolis puts yet another ring of concrete and steel between those already there and the open country beyond. Each pulse sends the price of land higher, shrinks the available open space and further estranges man from his environment.

This cost is not measurable, but it is there. The Nobel prize-winning biologist, Rene' Dubos, spoke of it in these words:

"Hardly anything is known concerning the delayed and indirect consequences of early exposure to the(se) conditions... Until very recently, the populations of urban and industrial centers were being constantly replenished and renewed biologically by large numbers of immigrants from rural areas and from primitive countries. This...will soon come to an end. If present trends continue, most people will be born...develop...and live within the confines of urban agglomerations..."

And then he added, most prophetically...

"Some of the most profound effects of the environment created by urban and technicized civilization may not be on physical health, but on behavioral patterns and mental development."

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For all of these reasons, I believe it is imperative to create alternatives to further metropolitan impaction. Let me be very clear: I am not talking about a "back to the land" movement, nor am I suggesting that we should dismantle or neglect our cities.

I am suggesting we create more rural jobs, better community facilities and a host of other needed improvements to better our present lopsided population balance.

And I suggest that if we do so, we can help both our rural areas and our great metropolitan complexes.

I don't consider this a dream, because I have seen places where it's being done. One of them is a ten-county area in Southcentral Iowa that has an abundance of many attractions our big metropolitan areas lost decades ago:

Land for industry, business, housing and parks is inexpensive and plentiful; there's plenty of open space and uncrowded recreation; the skies are clean and the water is pure. But most important of all, an individual there is still individual, not part of the lonely crowd.

This is what I learned about how Tenco built upon these natural advantages:

The first lesson could be summed up this way: "self-criticism is the beginning of wisdom." I don't mean the kind of pointless, carping criticism we hear so much now, but rather the intelligent searching out, and

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public discussion, of what the real community problems are.

This isn't as easy as it sounds. Nobody loves a critic, and one of our oldest folk-sayings is "boost--don't knock."

But to effect a cure, you must first diagnose the illness, and, by public discussion, let the people know what it is.

One of the Tenco leaders, a local banker named Wilson Ervin, described the process in these words:

"By early 1962, we had assembled mountains of information on our area, past and present. We knew where we stood and had some good ideas about where we wanted to go, and what was necessary to get there."

The vehicle that Tenco chose "to get there" was the multi-county unit, an idea worth exploring in detail, for it seems to be a common thread running through many successful rural development projects across the Nation.

Tenco leaders chose it for these reasons:

First, they told me, many of the services people now demand have outgrown the resources of a single county or community. But a multi-county unit has a large enough, diversified enough economic base to permit relatively large scale production, quality services, institutions and recreation at relatively low per capita cost.

Second, the larger area has enough population stability to allow effective long range planning, even though individual communities within it may grow or decline at a rapid pace.

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Third, the multi-county area allows pooling of resources to do a better job of going after, and obtaining new industry.

And finally, it offers a much larger "pool" of trained, effective leadership, a commodity always in short supply.

In Tenco, as in other multi-county units I've visited, the larger community did not bypass local government; rather it enhanced its effectiveness. And this effectiveness, I believe, is the best answer to those critics who falsely claim that the county, as a viable unit of government, is "outmoded and should be abolished."

After Tenco had isolated its problems, established priorities and decided on the multi-county approach to attack them, it concentrated its efforts in four main areas: Agriculture -- which produces two-thirds of the area's basic income -- industry, education, and recreation.

These are some of the things they've done:

* They established the first pilot Labor Demonstration project in the Nation, which is now showing how a rural area can develop a comprehensive manpower training program to test, recruit, train, and find jobs for its people.

In Iowa, as in Mississippi, Alabama and Indiana--other states we visited on ~~our~~ tour--we found there are plenty of jobs for trained, skilled people, but few for the unskilled. Tenco is meeting this challenge with its demonstration project and with a new technical school, part of a projected State-wide system.

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The new school, Iowa Tech, offering everything from cooking to computer maintenance, has an enrollment of 400 -- which is expected to expand to 2,500 in the future -- and serves a seven-state area.

* Nor has basic education been overlooked. Discovering in a comprehensive school survey that 15,000 adults in Tenco had less than an eighth grade education, the development group set out to do something about it. Local people are now discussing consolidation, and steps are being taken to insure that every Tenco child has a chance at a quality education.

* And a great many other things have been done -- new industry has located, pasture has been improved, grazing associations established and new businesses have opened.

Wilson Ervin summed up progress in his hometown of Centerville this way:

"By using a variety of Federal programs, we have doubled hog and cattle production in the county, increased job opportunities in local industry from 310 in 1960 to 1,150 today, and doubled per-family income. Eight years ago my bank had a loan limit of \$20,000. Today it's \$90,000."

In short, Tenco has both successes-in-being, and the kind of structure designed for more success in the future.

A great many Federal, university and State programs have contributed to the job that local people have done. Without an organization to "peg in" the various programs -- make them part of a coherent whole -- the various bits and pieces might have had little effect.

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Without this framework, the delays, frustrations and confusion all-too-often experienced by other local communities, which have not had a master plan, might well have scuttled all hope of progress.

It is for this reason that I have supported amendments to the 701 planning program of the Housing Act of 1954. I know you have supported them for the same reasons.

Very briefly, this legislation will allow rural communities to --

1. Get the professional planning help they need to mount successful development...
2. Give the people and public officials the facts and figures they need to identify problems, set priorities and tailor development to the resources and desires of the people involved. And it will...
3. Make professional comprehensive multi-county, non-metropolitan planning available to all communities, regardless of size.

Amendments to the 701 planning program will allow many more rural communities to do what Tenco has done, and what Little River County, Arkansas, and Upcap in Michigan have done for their people.

Doing what these communities have done is not easy. But help is available. More programs, more funding to aid rural America have been made available under this Administration than any previous one in history. Each of the six Departments which will participate in next December's symposium administer programs of direct benefit to your rural development efforts.

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To name just a few, out of many:

There's the Public Works and Economic Development Act, administered by Commerce; the Elementary and Secondary Education Act, under HEW; the Housing and Urban Development Act, under which HUD, in cooperation with our Farmers Home Administration, is building basic community facilities such as water and sewer systems; the Manpower Development and Training Act, administered by the Labor Department; the Food and Agriculture Act of 1965, which set up the Greenspan program, and a host of others.

The purpose of these programs is to help you, and the purpose of USDA's Technical Action Panels, 3,000 of them in every rural County in the United States, is to see you get that help. If you encounter any difficulty, I hope you will write me personally, and I'll see that help is forthcoming.

I mean this with all sincerity. Last fall, in Executive Order 11307, the President assigned responsibility for cooperation in agricultural and rural development within the Federal establishment to the Secretary of Agriculture, with a view toward better coordination and elimination of duplication. I take this responsibility very seriously.

And the President is just as interested in this vital subject as you are, and as I am.

Monday in Boston, Vice President Humphrey offered his help to the Nation's mayors in these words:

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"If you need help, call on me, the general practitioner of the Government...I want to be your business agent in the Government."

Well, I'd like to make the same offer to you. I'll be your "county agent"...your man in Washington, whenever you need help. And I hope you'll call on me.

In the final analysis, however, success or failure in providing an attractive alternative to ever-bigger urbanization lies in your hands, much more than mine. In your hands lies the key to helping our great cities meet their problems, by providing breathing space while they attack and solve them.

It can be done, it must be done.

This is not a rural problem... alone... nor an urban problem... alone. It is a national problem. It involves no less than the building anew of both city and country.

Thank you.

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Washington, Aug. 3, 1967

Secretary Freeman Urges National Agricultural Science Week Participation:

Secretary of Agriculture Orville L. Freeman today urged State and industrial laboratories engaged in agricultural research to join the U.S. Department of Agriculture Sept. 24-30 in observance of National Agricultural Science Week.

"When the U.S. Department of Agriculture and the Land-Grant College systems were established in 1862, each farm worker provided food and fiber for only 5 persons. Now he supports almost 40," the Secretary said.

"In this process of progress, more people have been released from the task of feeding themselves and are working to provide the goods and services that make up our high standard of living and civilization.

"Indeed, agricultural science has been responsible for developing entire new industries to process and distribute industrial, medical, food and fiber products," the Secretary declared.

He pointed out that agricultural research has, among other things, provided streptomycin, mass production of penicillin, frozen juice concentrates, the aerosol, wash and wear cottons, mechanized farm production methods, and ways to preserve natural resources of soil, water, and forests.

"Today agricultural scientists are probing the basic cell structure of living matter and the fundamental life processes of plants, insects, animals, and man," he said. "They are broadening our understanding of our environment so that we can manipulate it for the welfare of mankind.

"Here in America, agricultural scientists do not leave this basic knowledge in their laboratories," he said.

"They move it forward through the stages of applied research, and then carry the results of their research into the field and see it put into practice. They have the time and the patience to show the American farmer, the food processor, the manufacturer, or the homemaker what they have learned.

"The effect of our American agricultural science is worldwide," the Secretary declared, "because our productive agriculture is a bulwark against the spreading menace of world hunger. We are not just exporting food; we are exporting knowledge, technology, and the scientific pattern of research and education in agriculture.

"Simply and truly stated," the Secretary said, "agricultural science is working for the good of farmers, consumers, industry, and every man, woman, and child in the world community."

Participating in the observance of National Agricultural Science Week will be more than 30 of USDA's laboratories and field stations from coast to coast. In the Washington, D.C., area, USDA's Agricultural Research Center at Beltsville, Md., will be the site Sept. 30 of a day-long open house featuring exhibits and demonstrations illustrating the work of the Agricultural Research Service, Soil Conservation Service, Consumer and Marketing Service, and the Forest Service.

Washington

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I am very glad that I was invited to visit with you today. There is no part of my job that I enjoy more than exchanging ideas with a group of young people--particularly young people interested in agriculture.

As Disraeli, the great English statesman and writer, once said, "The youth of a nation are the trustees of posterity."

You, and others like you, are agriculture's greatest potential asset.

I know there is a feeling among some people in our land:

that farming is an old man's occupation--

that agriculture is a declining industry--

that there is not much economic future in it--

that there are far more worth-while, challenging, and exciting careers to be had in business, the professions, engineering, government, science, and almost any other field--

and, in short, that young people planning a career are better advised to stay away from agriculture.

I do not agree. In fact, I categorically deny every one of these statements.

Address by Secretary of Agriculture Orville L. Freeman before National Agricultural Youth Institute, Lincoln, Nebraska, August 14, 1967.

The truth is, agriculture today offers to young people exciting, rewarding opportunities for both service and profit.

To paraphrase an early American humorist -- some people know an awful lot, but most of what they know "just ain't so."

Farming is NOT an old man's game. The average age of successful farmers -- generally speaking, those with gross sales of \$10,000 or more a year -- is 46. These farmers incidentally provide about 85 percent of all U.S. farm products sold. They are younger than the average self-employed man in manufacturing, retailing, wholesaling, or self-employment occupations as a whole.

Moreover, there is a continuing increase in the number of young farmers getting established on successful farms. One-third of the new entrants into the \$10,000 and up gross sales category, during the 1950's, were under 35 years old.

Agriculture is NOT a declining industry. It is true that less than 6 percent of our people now live on farms compared with 25 percent about 30 years ago.

But rather than indicating that agriculture is a declining industry with a dwindling role in society, this fact testifies to the growing importance of our agriculture.

The average U.S. farmer now produces as much before breakfast as he did in a full day 30 years ago -- and more in three hours today than he did in four hours in 1960.

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On the average, one person in U.S. agriculture today supplies abundantly the food and fiber needs of 40 persons -- compared with 26 in 1960 and only 10 persons 30 years ago.

Far from being a declining industry, agriculture is a growth industry -- an example for industry and the economy in general.

Between 1950 and 1965 output per man-hour in agriculture rose nearly three times as fast as in nonfarming occupations -- 132 percent in agriculture against 47 percent in the rest of the economy.

Without this immense labor-saving contribution on the part of agriculture, our nation would not enjoy the abundance of goods and services of all kinds that we have today.

Nor could we occupy, much less hold, the position of international leadership that is ours.

The agricultural successes of U.S. farmers and the stagnation in communist agriculture have greatly affected the balance of power between East and West -- in our favor.

In some areas of economic competition the Soviet Union is doing well. The overwhelming advantage we once enjoyed in steel production has been narrowed. The generation of hydroelectric power has also increased rapidly in the Soviet Union. In the space race we do not know whether the language first spoken on the moon will be English or Russian.

But in agriculture there is just no contest. With less than 6

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percent of our people on farms we feed 200 million Americans, avert starvation for 60 million people in India, and help feed another 100 million people in other parts of the world. The Soviets, with close to half of their labor force still tied to agriculture, have had to import grain in recent years to provide bread for their people.

If we were as far ahead of the Russians in the space race as we are in agriculture, we would now be running a shuttle service to the moon.

American agriculture is the greatest production marvel in the history of man.

Economic prospects in agriculture are promising, not gloomy.

Let's look ahead a few years.

In 1980 most of you will be about 30 years old, embarked on your careers but still in the beginning phases of those careers.

Will there be a good farm or a good farm-related occupation in your future?

Here is what is actually happening!

The number of farms is declining. By 1980 there may be only about 2 million farms in the U.S. -- compared with around 3 million today and 4 million in 1960.

The investment required to run a successful operation is increasing. The average farm in 1965 had a capital investment, including land, buildings,

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machinery, and livestock, of about \$63,000. In 1980, it will probably be double that -- close to \$125,000. The average for the Pacific States -- now about \$156,000 -- may increase to about \$300,000. In the Corn Belt where the average is now \$68,000, the figure may rise to about \$124,000. In the Northern Plains it may go up from \$85,000 to about \$147,000.

Many ask, how can a young person finance a farm which requires so much capital? Well, remember that income is also rising steadily and rather rapidly. How much you can invest depends heavily on how much your investment can earn.

Remember also that you do not have to start with a capital of \$300,000 or even \$100,000. The capital investment of most farms is built up over many years.

Young people do not ordinarily start farming by owning all the resources used in their farming operations. A survey in 1960 indicated that farm operators under 35 owned less than one-third of the value of the property they operated. By leasing land and borrowing capital, they were able to acquire control of resources that compared favorably with those controlled by older operators.

Much of the financing needed by 1980 will be provided through the accumulation of equity by the more successful farm operators and through the existing credit systems.

Nevertheless, there will be a need for broader access to capital resources than exists today. New public and private financing policies will

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undoubtedly be evolved. Cooperative arrangements will offer new opportunities to farm successfully with limited capital. Farm leasing as an alternative to outright buying, already widely used, will probably grow. So will leasing of equipment and machinery.

I do not mean to say that the doors will be open to all young people who may want to become farmers. Getting started at farming is difficult. But when was it easy?

Ask your father or your grandfather or some elderly farmer in the neighborhood. Getting a farm was no easy proposition to the pioneer homesteader who acquired 160 acres for a small filing fee and then journeyed to his claim by horse and wagon. Then it took a generation or more of hardship, sacrifice and hard work to conquer the wilderness.

Today we sometimes forget what sacrifices our forefathers made less than 100 years ago to open this great land of ours to the unparalleled abundance we enjoy today.

Don't let anyone tell you that opportunities for getting started in farming are now ended.

True, the number of farms will decline. But most of the farms dropping out will be those with small acreages and small gross incomes. Many of them will be bought by other farmers who want to enlarge their acreages.

There will continue to be opportunities for young people to farm as older farmers retire or give up farming for other reasons.

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Furthermore, the long-time picture of agriculture as a low income occupation is changing. Look at the improvement in farm income during the past six years.

The average farmer last year netted about 70 percent more money from his farm than he did in 1960. He still lags behind the average person in the cities -- but he's gaining and if farmers will work together we can go faster within the next few years.

We are moving ahead because the American people as a whole, and their government, finally awakened to the fact that we could no longer afford to let farm and rural America keep on sliding downhill.

As I look five to ten years ahead I see the American farm as a very good place to live and to make a living. People who have family size farms and operate them wisely will have as good an income as most people in the cities. Most family farms having gross sales of more than \$10,000 will have achieved parity of income with other comparable groups in the economy long before 1980 -- perhaps by 1970.

Moreover, farm families will continue to profit from increasing property values over the years. The average net worth of farm operator families is about twice as large as that of nonfarm families. In 1962, for example, the average net worth of farm operator families was about \$44,000 -- compared with about \$22,600 for all U.S. families. And when you compare median figures -- the level with as many families above as below -- the comparison becomes \$26,000 for farm operator families as against \$7,500 for all U.S. families.

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Looking to the future, rural America -- I like to call it Countryside U.S.A. -- will be an even better place in which to live than it is today.

I predict a renaissance throughout rural America.

I believe we can, and will, revitalize hundreds of existing small towns -- and build hundreds of new planned communities -- communities that will offer their own sources of employment, that will provide a favorable climate for the development of businesses and services. They will have modern schools and a nearby college. They will boast a medical center and cultural and entertainment advantages.

Such communities will offer almost everything the big cities can provide except the congestion, confusion, crime, jobless ghettos, unrest, polluted air, and dirty water that threaten most great American cities today.

In addition to farming itself, there will be millions of new farm related jobs.

Not many people realize that there are more than 500 distinct occupations in the eight major fields of agriculture: Besides farming and ranching, these fields include research, agricultural industry, agricultural business, education, communications, conservation, and providing agricultural services.

An estimated 15,000 new jobs for college graduates are created in agriculture each year. But last year our Land-Grant Colleges graduated only about half enough students to fill these openings.

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Take the field of research alone. Federal, State, and industrial research in agriculture now employs about 27,000 scientists. Looking ahead just 10 years, we estimate that to meet the research goals we have set will require an additional 13,000 agricultural scientists by 1972 -- and about 13,000 more by 1977. These are exciting, pioneering, creative jobs.

Let no one tell you that the door to economic opportunity in agriculture has slammed shut. It just isn't so!

But what I reject most vigorously is the notion that agriculture is a humdrum field without challenge and excitement.

The truth is that agriculture has been, is, and, I believe, will continue to be the pace-setter of our Nation's advance.

From the beginning, farmers have been in the vanguard of American progress. They struck out to settle new areas. Generation after generation, they pushed the frontier westward. They let nothing stop them -- neither hostile Indians, nor lawlessness, nor the arid wilderness of the West -- from carving out an immense new agricultural empire, vastly more productive, than any other the world has ever known. Had they faltered -- had they failed -- the strong and generous America that today stands tall for freedom would never have come to be.

American history clearly demonstrates that food came first, before industry -- that the farm came before the city. Before our country could build a sound economy, it had to have ample food. The solid foundation on which our fantastically productive industry and commerce rests was and is agriculture.

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What is true in the history of our Nation is equally true around the world today. Food comes first. There can be no secure peace in a hungry world. There can be no real economic advancement without solid progress in agriculture to trigger it.

That's why America's ability to produce in abundance is so important to peace, security, and freedom throughout the world.

The greatest challenge of our age is to banish hunger from the earth in our time. It is only by opening the horizon of agricultural knowledge and techniques and productivity that this can be done.

Truly American agriculture has a rendezvous with destiny.

Do you young people seek green fields in which to make two blades of grass or grain grow where only one grew before? They are here -- in agriculture.

Do you seek opportunity to develop new foods, new fibers, new processes, that will be rich in promise for America and mankind everywhere? The opportunity is knocking at your door -- in agriculture.

Do you dare to challenge nature and human lethargy in underdeveloped Nations where if you succeed barren fields will become fertile -- but if you fail hunger may erupt in violence? This challenge, too, is here at hand.

All over the world people are seeking a better life. They will not rest short of achieving it.

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About 2 billion people -- some two-thirds of the human race -- live in the underdeveloped regions of Latin America, Africa, and Asia. Their number may more than double by the end of the century. Though seven out of ten of the people in these underdeveloped areas live and work on the land, six out of seven have less food than they need for good health and vitality. They cannot produce enough to feed, clothe, and care for themselves adequately.

You can help a hungry man by offering him food. But to truly help him, you help him to help himself. To do that, you must share with him the know-how and skills that make it possible for him to increase his productivity. Then he and his country can stand with other Nations as self-reliant partners in the great challenge of building a free and secure and peaceful world.

If this is to be done, farmers in the underdeveloped countries around the world must be taught better methods of farming, rapidly and efficiently. They must be provided with tools and the know-how of using them. They must be given motivation to produce more.

All this is fundamentally a job of education -- not only education, but fundamentally education. It is a job of teaching people how to make better use of their land, teaching them how to use fertilizer and new seeds and irrigation, teaching them how to create their own agricultural institutions, teaching them how to help themselves.

The most important single item -- the key item if this is to be done -- is trained agriculturists. Skilled and educated manpower is essential

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in every phase of a program designed to improve the production and marketing of agricultural products. Yet in virtually none of the less developed Nations is the supply of trained manpower in agriculture anywhere near adequate. In many cases, there is only a handful of educated researchers, planners, and Extension workers. Colleges of agriculture are few and their output small.

Until the less developed Nations can build up cadres of trained personnel of their own, agriculturalists from the advanced Nations must bridge the trained manpower gap.

For a long time now the USDA, the State universities, and other organizations have been lending technicians who carry agricultural "know-how" to countries throughout the world.

But this is not a job that government and educational agencies can or should do alone. We are trying vigorously to enlist the aid of industry in providing the technicians, the management, and marketing know-how, as well as the capital to transform agriculture in the emerging countries. The participation and cooperation of industry is urgently needed.

But again and again we hear from industry that it needs and cannot find young people -- young people with skills and intelligence -- to go to foreign fields. Older people who are settled in family life are reluctant or unable to undertake this difficult form of public service for long periods.

Here is a natural field for young Americans. Here is another opportunity to render an extremely worth-while service to humanity. Here is an opportunity to gain broad and valuable experience.

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Truly, then, you are the trustees of the future.

In closing, I want to hold up before you as a challenge what other young men have done. Take courage from their resolution -- and do not be afraid to set greatness as your goal as these men did:

Cyrus McCormick -- inventor of the reaper at the age of 22.

Isaac Newton -- discoverer of the law of gravity at 24.

John Keats -- author of some of the most magnificent poetry in the English language before he was 25.

Charles Lindbergh -- who flew across the Atlantic, solo, in a single engine plane -- and he, too, was only 25.

Eli Whitney -- inventor of the cotton gin -- at 28.

Thomas Edison -- who applied for his patent on the phonograph at 30.

Thomas Jefferson -- who wrote the Declaration of Independence at 33.

We have the counterparts of such men in modern agriculture.

During World War II a young man -- not quite 30 -- worked out a new method of converting starch in wheat to fermentable sugars.

Another young man in one of our regional laboratories learned how to make a rubber substitute from soybean oil.

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Still another young researcher -- about 32 -- developed an improved method of canning peas.

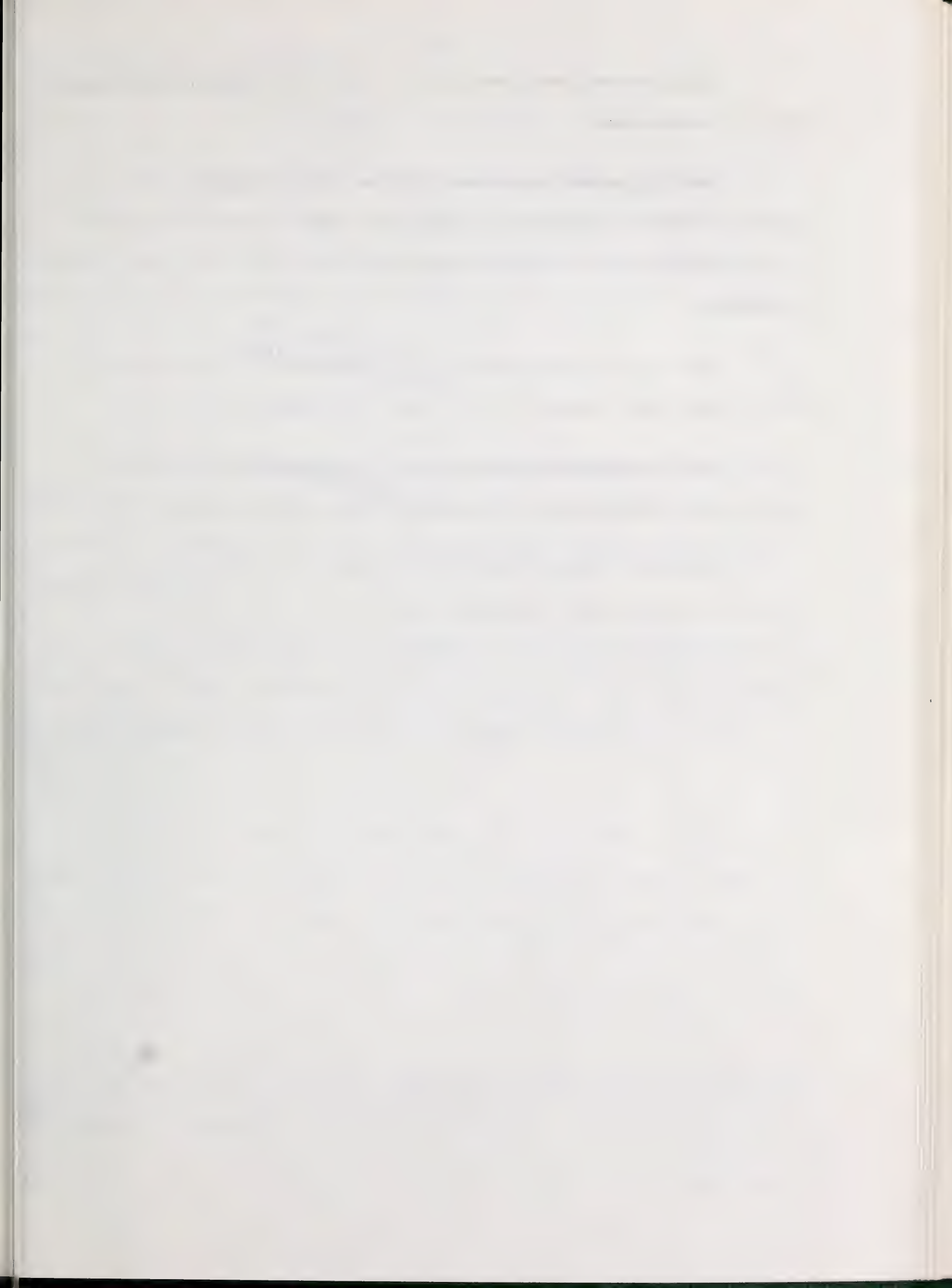
And the present administrator of one of our important USDA agencies involved in the War on Hunger is a young man of 32. I refer to Les Brown, who was selected as one of the Ten Outstanding Young Men by the Junior Chamber of Commerce.

Don't let the fact that you are young in years stand in your way. Age is as age does. Resolve to be a doer.

Great opportunities confront you in agriculture and its related fields -- great opportunities accompanied by great responsibilities.

Tomorrow belongs to youth. It belongs to you. Tomorrow can be as bright as you yourselves resolve to make it.

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THE CHALLENGE OF LAND USE

As I look around the room and see Cecil Chapman, your President and USDA's State Conservationist in Georgia ... and Frank H. Mendell, our man in Iowa, who's succeeding Cecil ... and many of my other old friends and co-workers from the Department, a Secretary of Agriculture is naturally moved to ask ...

"Who's home minding the store?"

Seriously, I am extremely happy to see so many of my old friends, both in and out of government, here today and I'm quite proud of the role that USDA professionals, beginning with Hugh Hammond Bennett, have played in this organization.

This is your 22nd annual convention. Many of you were present at the birth of Soil Conservation Society of America. You've seen it grow from infancy into a powerful force in the science and art of good land use.

This is only my second convention, but I feel that we are old friends, nevertheless. For, in the six years since we last met at Purdue, I have seen, time and time again, the good results of your philosophy in action.

Address by Secretary of Agriculture Orville L. Freeman before the 22nd annual meeting of the Soil Conservation Society of America, Hotel Fort Des Moines, Des Moines, Iowa, August 14, 1967.

At that meeting on July 31, 1961, I said that the Nation "Must come to grips with the physical problems of land use, the economics of production adjustment and farm income, and the social necessities of rural rehabilitation -- as a totality -- conscious of the intimate interrelationship between them."

In the six intervening years the Nation has made great strides in meeting all three problems:

Physical Problems of Land use

In the area of your immediate concern, the physical problems of resource use, President Johnson has recommended and the Congress has enacted more meaningful resource legislation in the past six years than in any other six years in history. The long list includes the Food and Agriculture Acts of 1962 and 1965; the Land and Water Conservation Fund Act, the Water Quality Act, Water Resources Planning, Appalachian Development, the Wilderness bill, and many others ... all vital tools of the conservationist's trade.

Legislation, of course, is of little use without adequate funding. But here again giant strides have been made toward meeting our resource obligations: At the time President Kennedy took office in 1961, he inherited a federal budget of about \$2.4 billion for conservation and natural resource measures. President Johnson's 1968 budget calls for \$3.9 billion, more than a 60 percent increase.

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This combination of new legislation and better funding for existing programs has accomplished what amounts to a resource revolution in the past half-dozen years.

Six years ago we didn't have a single Resource Conservation and Development project anywhere in the United States. Now 26 have been approved for planning and operations. This morning I approved 15 more for planning, bringing the total to 41, embracing 100 million acres, an area almost the size of Iowa, Illinois and Wisconsin combined.

Each of these projects is "multi-purpose" in the broadest sense of the word; each conserves natural resources in an integrated, well-planned manner; each brings jobs to local communities, conserving the human and economic base of rural America.

Six years ago we had only 312 Watershed projects approved for operations; now we have 821. Multi-purpose projects have increased by a factor of 250 percent.

In 1961 there was no federal machinery for moving unneeded cropland into badly needed recreational use. But since the advent of Greenspan, USDA has been able to make 139 grants in 27 States to establish parks, wildlife sanctuaries, hunting areas and water-based recreation. In addition, about one million acres of private land have been opened for hunting through cooperation between the States, USDA, and local landowners who participate in the Cropland Adjustment Program.

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Production Adjustment and Farm Income

Progress in production adjustment and farm income, the second of the three areas I mentioned in 1961, has also been impressive.

Through new, largely voluntary programs, farmers have been able to bring supply in line with effective demand. Through greatly increased commercial exports, sparked by vigorous new promotion and pricing policies, the surpluses that dominated the headlines of the fifties are now largely gone.

By 1967, Commodity Credit Corporation investment in commodities had been reduced by about \$4 billion below the peak years of 1956-59. More important, the surpluses were worked off without depressing farm income.

While total gross farm income set all-time records last year, net income climbed to \$16.3 billion, 40 percent higher than six years ago. Realized net income per farm was nearly 70 percent higher than at the time we met in 1961.

We are working hard to increase farm income. The average farmer still earns only two-thirds of urban wages. Progress has been substantial, but we're not resting on our laurels; rather we're looking for new answers. One of the new ideas being explored is greater bargaining power for farmers to put them on par with other segments of our economy.

This is an idea I discussed last Thursday in Washington with more than a score ^{of} farm and commodity leaders, an idea which is getting more and more attention throughout rural America. It's an idea that, if it wins wide support, could go far toward bringing full parity of income to American farmers.

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Rural Rehabilitation

The third area, rural rehabilitation, is concerned with bringing parity of income and opportunity to all of rural America, farmers and non-farmers alike. This is the road to rural-urban balance for, by creating opportunity in "country-side, USA," we can help check the exodus of people to the giant cities, thereby helping to solve their enormous problems.

Six years ago the Department expended only about \$1 million a year in helping rural communities to plan and build modern water systems. Since then, we've advanced \$324 million in loans and grants for both water and disposal systems.

We've established nearly 3,000 Technical Action Panels, to bring the various federal rural development programs down to the county level. We're supporting legislation to provide planning grants for multi-county rural areas, so they can put wheels under their own development efforts.

Total USDA loans and grants in the general field of rural development -- for housing, water and sewer, electricity, telephone and recreation -- have increased from \$489 million in fiscal 1961 to \$1.1 billion in the fiscal year just ended; more than a two-fold increase.

Since 1961

This, in brief summary, are some of the things that we have accomplished together in six short years of working. But we live in a dynamic, not a static society, and since our Purdue meeting, six years ago, neither resource needs nor population has been standing still.

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* The Nation has added another 16.2 million people to its population, all of whom must live, be fed and find recreation on the same number of acres that we had in 1961.

* We've buried another six million acres of rural land, some of it prime farm land, under new houses, factories, highways, airports and shopping centers. We've added more concentric rings of steel, asphalt and concrete around our great cities, moving the "open space frontier" further and further away from most Americans.

* We've seen water and air pollution infect every major river basin and airshed, and we've seen air pollution cause an estimated \$500 million in crop damage last year.

But if we seem to be running to stand still, we can take heart from the fact that a lot more people are running with us today. When in 1961, only a few groups like yours were concerned with the total environment, now millions are concerned. When, in 1961, public discussion of the environment was confined to a few technical publications, now it is covered weekly by Life, Reader's Digest, Newsweek, and the giant television networks.

Two elements of the environmental crisis -- water and air pollution -- have received a lion's share of this public attention. What is happening to the American land has received much less.

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A Shrinking United States

We like to think of ourselves as an ever-expanding, ever-widening society. In large part this is true -- the gross national product is growing at rates undreamed only a decade ago; incomes are up; leisure time is up; opportunity is up for most Americans.

Yet in one very fundamental respect we live in a shrinking society, not an expanding one. This is in the amount of land available to each inhabitant.

At the turn of the century, if one had divided the total amount of land evenly among the population, each American would have had 25 acres. By 1930 he would have had 13. When we met at Purdue, in 1961, his available land had shrunken to 11 acres. In the years since it has shrunken to 9.7 acres.

By the turn of the next century, each American will be able to command only 6.4 acres to feed, clothe, shelter him; to produce the industrial products he needs; to find the recreation he will demand in an increasingly mechanized world.

Let's examine this in depth: In the super-America of the year 2000 three Americans will live where only two live today ... food needs, domestic and export, will double ... lumber needs will double, as will municipal water use, and manufacturing water use will quadruple. We'll need 180 percent more land for reservoirs alone.

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The demand for outdoor recreation will be up 300 percent, land use for homes, schools and factories up 200 percent, and the amount of land needed for roads and other transportation will jump 125 percent.

Only one statistic will be unchanged. We'll still have only 2.9 million square miles of land in the contiguous 48 States, and another 550,000 in Alaska and Hawaii.

A Land Shortage

Will we then face a land shortage? The answer is -- maybe. If we have wise land use, the answer is no. But if we continue to misuse our land as we have in the past, we will rapidly become land-poor.

If we are to avoid this, it is critically important that we have a carefully developed, widely accepted, long-term land-use policy.

We don't have such a policy now.

Today, our land use -- with very few exceptions -- is dictated by short-run economic considerations, and very short run at that.

We can no longer afford this. We can no longer afford a careless and prodigal squandering of a priceless and irreplaceable national heritage. We can no longer afford to say, in effect, "to hell with posterity," and to go on making the same irrevocable land-use blunders that we made in the past.

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There simply isn't enough land, nor enough time, to continue on this one-way road, and if we insist on doing so, we will be properly condemned by future generations.

As of today, we are often (1) using the wrong land for the wrong purpose, and (2) wasting land -- putting it to no good purpose at all.

Examples of this abound, but one of the most common is found in the "leapfrog" type of development around most urban areas. This occurs when large parcels of land are developed -- not by design or plan -- but whenever a buyer and seller agree on price.

Thus, a housing tract 10, 20, or even 40 miles from the core community may be developed, bypassing the land in between. Under zoning, assessment, and land-use concepts now extant, economic pressure dictates that the bypassed land be sold or held for speculation. Often, in an effort to reduce real taxes, buildings are razed or allowed to deteriorate; when land is sold it goes out of agriculture and into weeds; erosion and other conservation problems multiply.

In the new development, often miles from the end of sewer and water lines, with inadequate commuting roads and no mass transportation, utilities, fire protection, and other costs ultimately borne by the taxpayers, multiply.

These problems are nationwide, but they are most acute in those States which are most rapidly becoming urbanized. One of them -- New Jersey -- the most urbanized, and one of the most industrialized, States in the Union is a good example.

A report on "Agriculture in an Urban Environment," by the College of Agriculture and Environmental Science at Rutgers, studied one such area, Delaware Township in Camden County.

In this County, with rapid urban growth underway, the amount of urban land increased from 14 to 31 percent in nine years. But at the same time, vacant land increased from 19 to 27 percent.

Nearly all of the vacant land had been farm land, much of it prime farm land. In three other New Jersey townships not becoming urbanized, by contrast, there was practically no vacant or idle land.

At the other end of the Continent, in the Santa Clara Valley in California, nearly 80,000 acres of prime agricultural land -- some of it the only land in the Nation with the right soils and climate for certain speciality crops -- has been so cut up by leapfrog development that efficient agricultural operations have been made difficult, if not impossible.

What I've just described is also happening in Des Moines and in most of your hometowns -- or if it isn't it soon will.

I believe this experience should prompt us to ask ourselves some hard, penetrating questions:

1. While we have adequate farm land for the foreseeable future, and while there is nothing wrong, per se, in using it for intensive purposes such as housing, can we indefinitely continue unplanned urbanization of prime farm land when alternate locations are often available?

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2. Can we afford to allow land -- badly needed for a variety of purposes -- to stand idle as hostage to future land speculation?

3. Isn't there some way that agriculture and urbanization can "peacefully co-exist" on the urban fringe, thereby providing the diversified economies healthiest for most communities, and at the same time answering peoples' demand for open space? Can't urban and rural America begin to pull in tandem instead of at cross purpose?

Population Shift

4. And finally -- and this is a subject that has occupied much of my time in recent years -- isn't there a better alternative use of land and space in this Nation as a whole than the present one, which has 70 percent of our population living on that one percent of our total land area classed as "urban," while 30 percent of our population occupies the other 99 percent?

Is there an alternative to more and more megalopolis -- urbanization without plan, without rationale, without end? Do we really have to become a Nation of big city cliff dwellers, cut off from the environment which nurtured us, and on which we still depend?

Or can we create an alternative ... a viable economy in rural America ... in less-congested centers ... in new towns?

Can we, in Paul Goodman's words, " ... revive the countryside by using it to solve urban problems?"

I think we can.

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For a long time now, I have felt a little lonely on this subject, but now more and more demographers, economists, and just plain concerned citizens are awaking to the folly of an unplanned, unrational, population shift which has both depopulated rural America and has presented the cities with almost insurmountable problems of social disorder, overcrowding and disruption of the ecology.

One of the new voices raised in this controversy is a special task force in the Department of Health, Education and Welfare, which reported to Secretary Gardner recently.

The Federal Government, the task force says, (quote) "will have to spearhead a research effort aimed at determining and perfecting measures to shift the focus of future population growth away from already-crowded urban areas to parts of the country that are not now burdened by too many people."

The report goes on to say: "Unless such an effort is successfully launched, the environmental protection efforts planned today will be reduced literally to nothing by the sheer crush of people and their correspondingly increased demand for goods, services, and facilities."

If we are to create an America of balance, a national land policy is at its center.

We already have many of the key components for formulating such a policy:

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* We have widespread public concern with the environment among professionals like yourselves and millions of laymen.

* We have an example of how to proceed in the Water Resources Planning Act and the Water Resources Council, which is attempting to provide for water development and policy through regional commissions within a national framework, recognizing federal, local, rural, urban, and industrial interests.

* We have a great deal of base information in the Department of Agriculture's National Inventory of Soil and Water Conservation Needs, which tells us on a county-by-county basis the condition of privately owned rural lands, gives us national estimates of land use and expected shifts in that use through 1975. This report, first issued in 1962, is now being updated and will be re-issued in late 1968.

* And we have the example of the public lands -- whose use, since the days of Theodore Roosevelt and Pinchot, has been governed by criteria far broader, far more far-reaching, than those of short-run economic gain.

And so we have the pieces of the puzzle, and now we need to put them together. I believe we can, and I also believe that the Soil Conservation Society of America, as a leading professional group, has a real stake -- can make a real contribution -- in making such a policy a reality.

With such a policy, the Nation can take a giant step in deciding how the land should be used in an era of unprecedented demand.

With such a policy, new approaches can be devised to preserve our prime agricultural land and to provide open space for urban residents.

With such a policy, alternatives to urban sprawl and leapfrog development can be presented to local communities. Land needed for future expansion ... recreation and greenbelts ... can be identified and preserved for future generations.

And finally, with such a policy we will be helped immeasurably in building the communities of tomorrow needed to house a Nation of 300 million Americans just 33 years from today.

Just four months from now, on December 11, five other Cabinet officers and I will sponsor one of the most important symposiums of this -- or any other -- year. The subjects I have enumerated -- rural/urban balance, communities of tomorrow, a land policy for the future, will be discussed in depth by the world's leading authorities. I hope to see many of you at this conference, where the issues that concern you and conservationists everywhere will be treated. I ask your participation to help this Nation raise its sights in a national dialogue on the kind of environment we want in the year 2000.

President Johnson shares your keen interest. When he signed six of the conservation measures I mentioned earlier, he said this:

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"Our fathers made this beautiful land a great nation. But when the wave of settlement reached the Pacific, it turned back upon itself. America exploited the land. We chopped down its forests ... abused its soil, built upon its beaches.

"Some Americans realized our loss -- Gifford Pinchot, John Muir, the two Roosevelts, Harold Ickes. They saw that America could be great only as long as Americans could commune with the land. They were the architects of American conservation.

"Today our crowded country thanks them for their courage and for their vision, and for their generosity."

Our land-use decisions in the next few years will determine whether succeeding generations thank us, or shake their heads sadly over our abuse of the American land. With your continued support and interest, I am confident this generation will make the right decision.

Thank you.

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I am a strong believer in close communication between citizens and public servants.

As Governor of Minnesota, I made a practice of meeting with people in various parts of the State to hear what they had to say and to try to answer their questions. As Secretary of Agriculture, I have extended this practice to the Nation. Whenever it becomes evident that people have something to say about the problems of agriculture, I want to listen. The tougher the questions, the more important it is that I listen. The harder it is to answer, the more certain it is that we need to look for new approaches and better methods of solving the hard problems.

We are currently in a period of intensive consultation with farmers, farm leaders, and people in the agricultural trades and industries.

Back in April I participated in a series of "shirtsleeve" sessions in Kansas, Iowa and Indiana. In May I took part in meetings in Georgia and Louisiana. They were so valuable that I instructed ASCS to continue the series to get the current thinking of farmers and county, area, and State leaders of farm organizations across the country. This resulted in 63 meetings in 31 States during May and June.

We met with the National Grain Advisory Committee in May, and followed this with 18 informal hearings with farmers and others interested in wheat, seeking their opinions and advice on 1968 wheat acreage allotment.

Remarks by Secretary of Agriculture Orville L. Freeman at the Governor's Meeting of Utah farm leaders, auditorium, State Administration Building, Salt Lake City, Utah, 8 P.M. (MDT) August 14, 1967.

The Grain Advisory Committee will take up questions on next year's feed grain program at a meeting in Washington in September. After that, we will hold meetings around the country with feed grain producers, farm organization leaders, and grain trade representatives.

Since January 1, the Statistical Reporting Service has held eight meetings on crop reporting problems and the reporting of livestock numbers, and has scheduled additional meetings. Last week we had a symposium with users of our crop and livestock statistics.

Last week we also discussed with farm organization leaders our common objective of increasing farmer bargaining power, and we expect to meet again with this group in a few weeks. The question under discussion is how farmers can act together -- supplementing price support and production adjustment programs -- to gain muscle in the marketplace.

These extensive consultations make a point often overlooked. What the government can do about farm prices is sharply limited. In the final analysis, outside forces and what the farmers themselves do play the major roles in determining results.

And so I'm here to continue a dialogue I've been carrying on for some time. First, I would like to share with you my ideas on the state of American agriculture, and to leave with you a few ideas on where I think we should go from here. Second, and more important, I would like to hear from you on the problems you're facing and to learn what I may be able to do to help. Working together I believe we can overcome our problems and reach our parity goal. So now, let's look at

Where We've Been

Throughout World War II and Korea, the farmer produced to intense demand and received good returns. But the technological advances that enabled him to meet war-time demands betrayed him once the emergencies were over.

By the beginning of this decade, peacetime overproduction had stolen much of his earning power. By the close of the 1960-61 crop marketing season, 1.4 billion bushels of wheat and 85 million tons of feed grains were stockpiled -- and net farm income had plummeted \$2½ billion in eight short years. Farm costs, as always, continued to climb.

Farmers were despondent and disillusioned, and with good reason. To many, the fight seemed hopeless. The word "farm" seldom appeared in print without the modifier, "mess" behind it. Enemies of farm programs had wielded their brushes with a lavish hand, plastering the "surplus and subsidy" label on the farmer's back. It was widely believed that there was no answer to the so-called "farm problem."

But in six short, eventful years American agriculture turned the corner from pessimism to promise.

Where We Are Now

The market is freer of Government now than it has been for 30 years, and nearer supply-demand balance than it has been for half a century. Most of our farm programs are now voluntary.

The surpluses of the fifties are gone. By the end of May, 1967, the Commodity Credit Corporation investment in farm commodities was down to \$3.59 billion, a reduction of \$2.39 billion from the previous year, and about \$5 billion less than the peak investment years of 1956 and 1959. And equally important, we worked off the surpluses without depressing income. Instead, prices of commodities in surplus moved steadily up as we disposed of the overages.

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While total gross farm income was setting an all-time record last year, net farm income was climbing to \$16.4 billion, the second highest in history. This was 40 percent greater than it was in 1960, and 18 percent higher than in 1965. Realized net income per farm also set an all-time record at \$5,049 ... 23 percent higher than the year before and 70 percent higher than in 1960.

This progress is impressive and encouraging. However, all is not bright. There are tangible reasons for farmer concern today. In 1960, per capita farm income was only 55 percent of non-farm income. In 1966 it moved up to 65 percent, but the average farmer's per capita income was still one-third below that of nonfarm residents.

Farmers averaged \$1,717 per capita last year, while non-farmers averaged \$2,636. Since August, 1966, prices have fallen 5.2 percent while costs continue to climb inexorably.

Where Are We Headed?

And so although there has been great progress, a big job is still ahead of us if farmers are to have the standard of living they need and deserve. Hence, this is a good time to take stock, determine where we are, and chart a future course.

First, let's take a look at our New Era Farm programs. As you know, they are the end product of four years of testing and major legislation passed in each of the years 1961, '62, '63, '64. Each was a bitter struggle; all culminated in the Food and Agriculture Act of 1965.

Heated in the crucible of political fire, and hammered out on the forge of diverse commodity interests, they are practical, effective, and they work.

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New Era Programs

These New Era programs aren't easy to administer. For instance, it is impossible to predict, with absolute accuracy, what the weather will do, or how much of any one commodity our competitors in world trade will produce in any one crop year. Yet our export business is a major outlet for U. S. farm commodities and the quantities needed are basic in making farm program policy decisions. Thus, weather and yields -- not only in this country but around the world -- are important considerations in setting acreage allotments for wheat, and diversion rates for feed grains.

In 1966, after increased domestic wheat acreage had been announced, new information from the Soviet Union and Australia indicated a bumper crop. World weather conditions improved steadily and a record global wheat crop resulted. Despite this, our commercial wheat exports last year reached a record 450 million bushels and overall exports were over 742 million bushels, continuing the high levels of the past few years.

This spring, we had to make a decision on wheat acreage levels for next year. After consulting wheat farmers and others through a series of informal hearings, all evidence pointed to the need for a cutback in acreage to maintain a satisfactory relationship between production and needs. And the allotment for 1968 was set at 59.3 million acres, about 9 million acres less than for this year. However, weather this fall and next spring and summer will be a significant factor in the actual outturn of wheat.

I want to emphasize that currently there is no overall surplus of wheat as a result of the 1967 crop. The sharp drop in wheat prices from

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a year ago is not justified on the basis of this year's production and prospective demand for wheat.

Unfortunately, too much wheat has been loaded into marketing channels at harvest resulting in temporary gluts that have pushed prices down.

This illustrates the changed marketing situation farmers face in the new era. With surpluses gone, yearly production will be keyed to needs for the entire marketing year. This means larger supplies available from the current crop than when production was being held in check to work off the surplus. Government stocks no longer provide the stabilizing market force they did when there was a market shortfall from yearly production that had to be made up from the surplus. Now, virtually all of the needs in commercial channels are coming from free stocks.

This presents a new challenge to farmers. It requires more active orderly marketing. It requires restraint on the part of farmers in the quantities of a commodity moving into the market at any one time. The price-support program helps in the holding process. Now that we have a resale program for on-the-farm and warehouse storage, farmers can hold on to their products and make the market work for them, rather than against them. Price supports and payments strengthen their holding power also. Direct and diversion payments in many of the basics make it possible for them to compete in world markets and, at the same time, maintain their income.

This fall, feed grain and soybean producers are facing the same marketing problem confronting wheat farmers. While the indicated production of these commodities is heavy, it is not excessive. Patient and hard-nosed marketing by farmers can avoid a sharp harvest time price dip. There will be no surpluses, but temporary market supplies can push prices down just as much as if there were one.

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The course of feed grain production this year brings home the problems and difficulties in matching production with needs. Last fall, it was apparent that the surplus era for feed grains was ended and acreage needed to be increased.

After long sessions with people both inside and outside the Department of Agriculture, the 1967 feed grain program was fashioned to bring about a reasonable increase. Following the first indications of spring plantings last March, we resisted the pressures from many who felt production would be too low and announced that we were sticking with the original decision. There were some who were critical, but let's look at what's happened since. The first report of production as of July 1 showed a corn crop of 4,580,000,000 bushels. Weather conditions were favorable during August and the report of a few days ago showed an increase of nearly 150 million bushels to 4,651,000,000 bushels.

When the effort is to bring production in on a supply target, relatively slight weather variations can mean a plus or minus three bushels per acre. At the end of the year this variation could mean a difference in the range of 400 million bushels in the total crop, completely without regard to the amount of acreage. It isn't always possible to hit the supply target exactly. It's important that farmers understand this and help in the decision-making process so that our judgments are as accurate as possible. After the fact is too late.

The newness of the New Era Programs are another factor that bothers farmers. This newness means uncertainty, and uncertainty is always unpleasant. Under the old programs, the loan rate, in effect, set the market price. This was certain and comfortable. Now the market is jumpy, although above the support rate. This newness of the programs also relates to another problem. Farmers instinctively separate their program payments from market returns.

Under these new programs, wheat certificate payments and corn price-support payments are as much a part of the per-bushel return to farmers as are the market prices. Many farmers tend to forget that they receive a rather substantial payment for every bushel of wheat.

The program is designed to allow wheat to move in the market at the world competitive price but the participating farmer gets the parity price for his share of wheat used as domestic food. For 1967 this works out to about 47 cents per bushel on all the production on participating farms. For 1966, the combination of the market price and wheat certificate payment brought the wheat price average on participants' farms to \$2.22 per bushel. The same principle is true for corn and for the 1966 crop the average value came to \$1.40 per bushel, including an average price-support payment of 11 cents per bushel.

We're working hard to make these programs better. But they have already been effective in raising farm income. Compared to 1960, receipts in 1966 were up \$500 million in wheat, and up \$2.1 billion in feed grains.

Not everyone likes the New Era programs, of course. One farm organization wants to do away with all programs in the grains -- for a starter. A city Congressman is sponsoring a bill that would do just that.

Alternatives

But what are our real alternatives?

The primary alternative to present programs is "no program at all."

I believe there is a real possibility that we could lose our farm programs -- especially if misunderstanding continues among farm people themselves.

This is an ever-present risk -- not just one we face only in 1969,
when most present legislation expires. True, we are only in the second
year of the four-year authorizations passed in 1965. But the laws
are always susceptible to crippling amendments. A farm program can also
be destroyed by withholding appropriations.

To learn what would happen to farm income if this does occur, I asked Dr. Walter Wilcox, the distinguished economist of the Library of Congress, now the Department's Director of Agricultural Economics, for a study on commodity programs in the years immediately ahead.

He and his associates, after consultations with leading economists at nine universities, concluded that in the absence of adjustment and price support programs, rising production would drive prices down rapidly. By 1970, corn would fall to around 70 cents a bushel, cotton to 18 or 20 cents a pound. Soybean prices would probably drop to around \$1.90 to \$2.00 a bushel. Wheat would fall to about \$1.00 to \$1.10 per bushel.

Within a year or two, livestock supplies would also overburden the market and prices would fall. Prices would drop most heavily in hogs and poultry, less in dairy, with the effect on beef prices somewhere in between.

By 1970 the decline in the price level for livestock would be almost 10 percent. The overall price level for crops would decline more than 20 percent, but farm production expenses would continue to rise.

Without programs, net farm income might well fall by one-third, some \$5 billion below the 1966 figure of \$16.4 billion, or back to about 1957 levels.

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In short, farmers would lose all of the income gains of a decade, and then some. A crippling drop in land values would follow.

A second alternative is high price supports and mandatory programs for all commodities.

With this approach, the Government would guarantee high price supports all the way up and down the line -- but with strict controls on bushels, bales, and poundage, rather than on acres. Rigid high price supports are impossible without such controls -- otherwise surpluses, and high costs to the Treasury, would kill farm programs in a short time.

Mandatory programs with quantity controls might work very well in maintaining farm income and in holding supplies in balance. We would be less competitive in world markets, even with heavy export subsidies, but even so they would probably cost less than our present voluntary programs.

However, in order for mandatory, high-support programs to work -- or even to put into effect -- they would have to have the support of farmers and the Congress, a support heretofore lacking.

When we tried the supply management approach in the Congress in 1962, we lost. The farmers themselves voted down a mandatory wheat program in the 1963 referendum. Even today I can detect very little enthusiasm, nationally, for such an approach among large numbers of farmers.

As a practical matter, then, we have to make our present programs work. For all practical purposes, they are all the programs we're going to have, at least for the foreseeable future.

Whenever I get into a discussion on alternatives, I'm always reminded of what James Thurber said when someone asked him, "How's your wife?" The great humorist paused a moment, scratched his head and then replied: "Compared to what?" It's a good question for all of us to ask when we chart our farm program course for the future.

Late Developments

Since last August we have experienced once again the old problem of too much supply; too little effective demand. 1967 hog marketings to date, as of last month were 15 percent higher than a year ago, and prices were down nearly 20 percent. Marketings were as much as 25 percent over last year for a while. Beef production was up 5 percent -- grain-fattened cattle production up about 7 percent -- and cattle prices were down 6 percent.

Egg production this year is up 6 percent; prices are off 16 percent. The orange crop was up 34 percent, and prices are down 30 percent, compared to a year ago.

The Department is doing everything it can to even these peaks and valleys in the supply and demand contour. Section 32 purchases, for the School Lunch and other domestic programs, and Food for Freedom purchases, will hit roughly \$2½ billion this year.

That's a lot of buying power and we are using it as skillfully as we can to strengthen prices. But under present law and marketing practices, there isn't much more the government can do. The farmer, in these "no-program" commodities, is essentially "going it alone" in the market. Sixty percent of our farmers' cash receipts come from the sale of crops and livestock not

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covered by farm programs. Here the responsibility for maintaining supply-demand balance -- and therefore strong prices -- rests primarily with the farmer himself.

Nevertheless, I feel that much can be done by farmers themselves to gain muscle in the marketplace, and tonight I'd like to explore one major avenue with you.

Bargaining Power

You have all heard the phrase, "farmer bargaining power." It is a subject that has been widely discussed, and has been in the wings for a long time. Last year it was the basis for some major recommendations of the Food Marketing Commission.

But it was only this spring that I began to detect a certain rare agreement on it in agriculture. Perhaps it is an idea whose time has come. Farmers are increasingly aware that they are producing for a system where more and more of the bargaining power rests with the fewer and larger firms making up the marketing sector of the industry.

Over the past several weeks "bargaining" power has been much discussed throughout the country at board meetings, at general membership meetings, and also in Washington. We in the Department of Agriculture have analyzed the various approaches to creating a more favorable climate for bargaining power. Thinking so far has centered around two proposals that can be used together as a package to enhance bargaining power.

A National Farm Bargaining Board

One idea is a National Farm Bargaining Board (NFBB), that might serve much the same function for farmers as the National Labor Relations Board does for labor.

Initially, the Board, at the request of a producer-group, would determine the boundaries, size, and composition of a "product bargaining unit," based on traditional marketing patterns. If more than one group vied to represent growers, the Board would supervise an election to be decided by majority vote.

It would then certify a bargaining agent and insure that processors bargained in good faith with it. The same legislation might provide for all producers' sharing the association costs, and might provide that prices negotiated by the bargaining agent would be binding on all suppliers, once the price was ratified by growers.

Thus, all growers supplying a particular processor would receive a similar price, much as a single negotiated wage level now covers all industrial workers who do similar work and who are represented by the same bargaining agent.

The association might be empowered to bargain with a representative of several processors, so that it could negotiate a single industry-wide contract rather than a multitude of individual contracts.

Marketing Agreements

Another idea is marketing agreements. As you know, they are already in effect in many areas and for many commodities under state as well as Federal law. We are now studying methods to broaden their scope and authority.

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Changes in existing legislation might provide for (1) inclusion of additional commodities, especially the perishables mentioned earlier, (2) authority to establish minimum prices and other terms under which handlers could acquire products from producers, and (3) more flexible authority to make adjustments in producer-allotments and marketing quotas.

The key aspect of the marketing agreement and order concept is that the initiative for action -- and the leadership to design, approve, and get a program working -- must come from farmers and their marketing agencies.

The market-order system has some important advantages.

First, it requires a two-thirds majority of producers in a particular commodity to approve an order, assuring broad-based support for the order. But by requiring only a simple majority to keep it in effect, the difficulties in maintaining a viable organization of often-small and geographically-scattered producers are lessened.

Second, the marketing order carries within it necessary anti-trust exemptions. No other adjustments are necessary to create a favorable legal climate for effective bargaining associations.

We have reached the stage now where we are seeking the ideas of the producers, of yourselves. I know that some of you have been quite successful in achieving significant gains in bargaining. For example, I am encouraged by the great progress in bargaining made by sugarbeet growers.

Last week, as I said earlier, I met with the leaders of the several large farm organizations -- the Farmers Union, the Farm Bureau, the Grange, the NFO -- and also some of the large commodity organizations --

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the American National Cattlemen, the National Wool Growers, the National Beet Growers Federation, and many others. We had a very useful and frank discussion on ways to enhance bargaining power. I am encouraged ... I see more solidarity of opinion and support on this issue than any since I have been Secretary of Agriculture. The meeting ended with a clear expression of opinion that we should continue to pursue ways to enhance bargaining power.

These are a few of the ideas that are being explored now. Again, let me emphasize that these are tentative ideas, not firm legislative proposals, and that they are designed to enhance -- not replace -- the existing basic commodity programs that are still key to farm income.

On occasion, when I am describing the big picture of American agriculture and how it works, I've compared the government's role in our New Era programs to that of a referee in a football game. The ref must keep the teams on the playing field. To do it, he blows the whistle when the players step out of bounds.

In its role of referee, government has done much to keep the supply team within the side markers, but not so far in as to hamper it. For example, we have got rid of burdensome surpluses, at the same time producing ample supplies to meet all needs. We have helped the demand team by massive efforts to develop foreign markets in which we can sell our food and fiber for dollars. In fiscal year 1967, export sales for dollars hit an all-time peak of \$5.4 billion.

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Also helping the demand side were our Section 32 and P.L. 480 purchases. This buying not only has strengthened markets, but in meeting the urgent food needs of hungry people, it has been in the overall best interests of the United States both at home and abroad.

Then, if in addition to the New Era programs, farmers themselves can build bargaining power comparable to that of the other organized groups with whom they compete, farmers at long last would have the tools to get the income they need and deserve.

But doing all these things won't be easy. There are strong forces that would destroy our present programs and fight to the death any future attempts by farmers to gain more muscle in the marketplace.

In the fifties this crowd hung the "surplus and subsidy" label on farmers. In 1967 they have a new catch-phrase, "cheap food policy," by which they are seeking to turn farmers against consumer and government programs.

When you hear the demagogues shout, "cheap food policy," be alert. Ask the person or publication using it where they heard it. Track it down to the source. Expose the distortions and outright lies on which it rests.

There is no "cheap food policy." There never has been. There are just the same old enemies of farm programs, dressed up in a new disguise, and equipped with a new bullhorn.

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Despite these attacks and distortions, which are sure to mount in virulence and irresponsibility as another election approaches, I am optimistic.

We have a strong President in the White House, one who knows farmers and farm programs, and one who will fight for the farmer. We have a four-year program and a new unity among farmers for greater bargaining power. What we do with all this is up to us.

I am confident that with determination and confidence in each other we can continue the progress we have made since 1960. There may be interruptions of the type we have suffered since last August. Progress is not always a level path, and at times we take one step back while taking three forward. But if we persevere, we recover and go on to greater heights. We can, and we will, reach our goals if we keep on fighting.

Thank you for your attention. Now I'd appreciate your comments and questions.

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The story is told of the French philosopher who asked his gardener to plant a tree in the next week or so.

The gardener pointed out that it would be 50 years before the tree was big enough to be enjoyed.

"Good heavens," the philosopher said, "in that case plant it today."

I know that you people of the International Shade Tree Conference have long had a deep interest in "planting today," so I feel philosophically at home being here with you.

Your group and the Department of Agriculture have worked together for a long time.

Many of our people, such as Dr. Curtis May, leader of our shade tree investigations, have taken an active part in your work.

We have many common objectives.

As you probably noticed from our exhibit here at the meeting, the Department is emphasizing the theme, "Color It Green With Trees."

This exhibit is part of our national campaign to encourage individuals and communities to plant more trees. And not only to plant trees, but to plant the right trees, and to take care of them after they are planted.

Remarks of Secretary of Agriculture Orville L. Freeman before the International Shade Tree Conference, 1:30 p.m. (EDT), in Philadelphia, Pa., August 29, 1967.

Our "Color It Green" campaign is but one thrust of the personal campaign of President and Mrs. Johnson to stimulate us all to preserve the beauty that remains in America and to restore that which we have lost through our own apathy, economic greed and just plain thoughtlessness.

Mrs. Johnson put it well, I think, in speaking before the White House Conference on Natural Beauty.

"Natural Beauty must be an integral part of our national life," the First Lady said. "It cannot be a frill or an afterthought, or a luxury subject to the red pencil of accountants, public or private. It must be a vital part of the way we build our country."

This thought is not new to the people gathered here. You and your organization have been living by this watchword for 40 years.

So I need not exhort you to follow the precept of natural beauty. You are doing it.

But have you ever stopped to consider why you are interested in natural beauty? It is a question difficult to answer, hard to put into words.

Beauty is usually considered to be an esoteric realm, the realm of poets into which the layman dare not stray.

As Emerson wrote, "If eyes were made for seeing, then beauty is its own excuse for being."

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And one need look no further than a magnolia blossom or an apple tree in spring to understand this.

But I think we can look past the poet and find something beyond beauty itself as an excuse for its being.

It was expressed this way by President Johnson: "The beauty of our land is a natural resource. Its preservation is linked to the inner prosperity of the human spirit."

The human spirit....That to me is where the intrinsic worth of beauty lies--far more than in the passing pleasure that it affords.

We have neglected that "inner prosperity of the human spirit," and we are paying for it.

Somewhere along the Nation's way, we have forgotten that the pursuit of happiness is not a race.

"How did it come about," social critic Malcom Muggeridge has asked, "that the pursuit of happiness led to larger and more crowded psychiatric wards....the pursuit of knowledge to ever greater credulity and vacuity....the pursuit of security to an ever-intensifying sense of helplessness and loss of identity....the pursuit of affluence to ever-mounting indebtedness, and of health to the consumption of more pills and potions?"

I can't answer those questions. But perhaps the truth, or part of it, lies in the simple philosophy ascribed to that colorful

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golfer of an earlier day, Walter Hagen. It goes something like this: "You are only here for a short visit, so don't hurry, don't worry.... and don't forget to smell the flowers."

I think we have forgotten, as a nation, "to smell the flowers," and, as one result, Americans today are living with a spirit of uneasy discontent, at best....a discontent that at times has erupted in flames in some of our great cities.

I realize that this discontent stems from complex factors, but I do not think we can deny that one of these is the almost total lack of natural beauty--or even of man-made beauty--in the lives of millions who dwell in many of our cities. And there is a dearth of beauty in the suburbs that have spilled across the countryside, uprooting trees, cutting down hills, deflowering the land.

There is nothing graceful about slum living. And there is no beauty in billboards, neon signs, trash depots, shabby houses, parking lots and elevated expressways--the common scenery of the harried commuter as he follows the exhaust pipe and bumper ahead of him to and from work.

It is difficult to nurture the "inner prosperity of the human spirit" in such an environment.

Crowded, ugly living creates what scientists call the "stress syndrome."

Experiments have shown that rats in overcrowded pens become neurotic, and sometimes downright psychotic--the females "forget" how to

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build nests, they abandon their young. Males move like sleepwalkers--some become cannibalistic.

And researchers have suggested that acute forms of stress syndromes in the overcrowded concentration camps of World War II may have been the actual cause of many deaths.

In short, we need--as human beings--to "smell the flowers."

This administration understands this, as I have told you, and the Department of Agriculture understands this. We in the Department have made natural beauty a deliberate objective, rather than an incidental benefit, in all our activities in which that objective can be applied.

Many of these activities have been a part of the Department's effort for a long time. But we have stimulated and redirected established programs, and have begun new activities pointed toward enhancing natural beauty.

We not only say "Color It Green With Trees," we do it.

We are planting forest cover on denuded, unattractive public lands best suited for timber. We are cooperating in planting trees on private lands.

Just two months ago--in June--I visited an area in Mississippi where the Department had helped farmers start a tree planting program 20 years ago. It was a project to reclaim gullied and eroding cotton land.

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Now there are some half a million acres of privately held pine forests in an area that 20 years ago was largely an unattractive vista of burnt clay and weeds.

And while I was there, I took part in a ceremony that brought home to me the fact that beauty--in this case trees where there had been none before--goes beyond its own excuse for being.

I participated in ground-breaking ceremonies for a \$7 million flakeboard plant. It will provide 300 jobs and a \$1.5 million payroll in an area that had become, as have so many of our rural areas, a place without jobs, without hope, for those who love this particular corner of America and would like to stay there.

And on that same trip, I dedicated a 41-acre lake in Indiana where there had been no lake before. It was created by the efforts of far-sighted local people working with the Department of Agriculture in a Resource Conservation and Development Project.

There were perhaps 500 or 600 people gathered in a clearing in the wooded area above this new lake. And there were the usual speeches, by me and by the local people who had been involved.

We "officially opened" this recreation area, and then we all walked down the hill through the trees to inspect the new lake itself. And I will never forget what to me was the most delightful sight of that entire day: Three small boys with brand new casting rods, fishing earnestly from the shore of this new lake. They were oblivious of the dedication crowd and of the Washington photographers and the member of

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the President's cabinet who was visiting those shores. This was their lake, and it will remain their lake, as they fish....and talk....and grow.

And this, to me, is at the heart of what you are trying to do and what I am trying to do. We are trying to put the flowers into young lives--and into our own. But to me the young lives are more important than our own, and I think you will all agree.

What I am trying to say, I think, was best expressed by Walt Whitman. This is a passage that I believe captures the essence of what the International Shade Tree Conference and the United States Department of Agriculture are trying to do when we set out to "color it green."

This is what Walt Whitman said:

"There was a child went forth every day....

"And the first object he look'd upon, that object he became,

"And that object became part of him for the day or a certain part of the day,

"Or for many years or stretching cycles of years."

Those three boys whom I mentioned--fishing at Saddle Lake in Indiana--will be among those who take over from us. They will be middle-aged men in the year 2000, the year to which I believe we must direct our plans.

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And I know, because I saw them, that these boys will have "smelled the flowers"....that as 40-year-old men in the year 2000 they will have a firmer grasp of what they think they should be and what they think their country should be, because, as small boys, they had a chance to see a green tree and a placid lake. Saddle Lake has already become a part of them, and it will be a part of their stretching cycle of years.

Too many Americans have no Saddle Lake. Their world is bounded by the pool hall a mile down the concrete and by Danceland six blocks in the other direction. There are no flowers. There are no trees.

But there are incredible numbers of people. And when I say people, you know what I mean. This is not an abstract, demographic term. People are my wife, your wife or your husband; they are little boys and little girls. And these wives and husbands, and these little boys and little girls come in all colors--white, black, brown, yellow, red and all the intermediate shades.

This is something about which I feel very strongly--that we, as Americans, as sojourners on a bountiful land--must begin to think of each other not as Northerners or Southerners, or inlanders or outlanders, but as people--husbands and wives, fathers and sons, mothers and daughters... all of us visiting here for a short time, and all of us in desperate need of the flowers.

You people understand this. Unfortunately, many Americans don't. And they have a vague, restless approach to each new day. They

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have, for their entire lives, been separated from trees and from flowers
....from something that I think is within us all, and has been since the
Garden of Eden. It is an affinity with nature, of which we are a part.
It is a longing for the beautiful and the good.

An Indian chief named Seattle put it into words better than I
can. He was talking to the general sent by the United States Government
to administer the Northwestern territory, the meadows and the mountains
and the lakes of that great region.

This is what the chief said: "Our dead never forget the
beautiful world that gave them being...Every part of this country is
sacred to my people....The very dust under your feet responds more
lovingly under our footsteps than under yours."

Because of you and me, and of our mothers and fathers and of
their mothers and fathers, the dust of which Chief Seattle spoke is
becoming scarce in this land. We have turned our environment into an
array of brick and concrete--utilitarian, perhaps, but forgetting the
flowers, forgetting the "inner prosperity of the human spirit."

Well, what can we do about this?

I know, because I have lived it along with you, that the past
40 years or so in our national history have kept us occupied to the
exclusion of the flowers. The market crash....the depression....
World War II....the Korean War and now the conflict in Vietnam have
occupied the national consciousness, and rightly so.

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But I think that somewhere along the way, we should have had our eye on the flowers. I think we owe it to ourselves, and certainly to our children, to stand back from the mad race, and to do as you people are doing--plant a tree.

Implicit in an act such as that is faith in the future. You have it, and I have it. I look forward to the day when what you and I are talking about will be "old hat" to the citizens of this country. I see a day when, thanks to people like you, there is no real need for a Shade Tree Conference, and there is no need for a President or a Secretary of Agriculture to stump the country on behalf of natural beauty.

It will be a day when your children and mine live in harmony with their surroundings....a day when they like where they live and how they live.

But this won't just happen. This is going to take on your part and on my part some effort, some planning. The three little fishermen on Saddle Lake didn't just happen. They came there because somebody cared--somebody in their own community, and somebody in Washington.

With this in mind, five other Cabinet officers and myself have called a meeting in Washington for the week of December 11th that could, in my opinion, be the most important meeting of this century

It is a meeting to try to find out what we should do with ourselves, and I mean that literally. Should we all go to the city or is there a chance that some of us who would like to stay in the country can stay in the country?

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There will be 300 million of us Americans in the year 2000, half again as many of us as there are now, and that is a conservative estimate. This meeting in December will be devoted to answering the questions, "Where can we go? Where should we go?"

I invite you to attend this meeting. We need the best brains that we as a nation can muster.

We need to decide about the flowers, and about the trees, and about ourselves.

What I hope will come out of this meeting is a plan, a program that will enable us--those of us who are still around--to know in the year 2000 that, as the Indian chief said, "the dust under our feet responds lovingly to our footsteps."

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In 1835, when the United States was what we would now call "an undeveloped country," that brilliant and perceptive French observer, Alexis de Tocqueville, commented on science, education, and man:

"The Americans have all a lively faith in the perfectibility of man. They judge that the diffusion of knowledge must necessarily be advantageous, and the consequences of ignorance fatal ... In the American's eyes what is not yet done is only what he has not yet attempted to do."

Four years after de Tocqueville wrote this, one of my predecessors, Henry Ellsworth, who directed what was then the agricultural section of the Patent Office, set out to "diffuse some knowledge" by distributing improved strains of seeds and instructions on how to use them.

A generation later, in 1862, the Department of Agriculture was officially established, and among the first 30 employees were a chemist, an entomologist and a horticulturist.

The life scientists and the Department of Agriculture have been together ever since attempting to do what we have not attempted before.

It has been a long and fruitful relationship for the Nation.

The Productivity Revolution

The biological sciences contributed breakthrough in hybrid

Address by Secretary of Agriculture Orville L. Freeman before the American Institute of Biological Sciences, College Station, Texas, 9:00 P.M. (CDT) August 30, 1967.

seed, plant, and animal genetics, growth regulators, pest control and many others. Other scientists contributed discoveries in irrigation, reclamation, fertilizers and new tools.

This research is probably old hat to the scientific community. But the results, even today, stagger the imagination.

A century ago, 7 million farm workers were needed to feed 31 million Americans. By 1910, 13 million were needed to feed 92 million Americans, and today roughly six million farm workers feed 200 million Americans. In the Soviet Union, an otherwise-advanced industrial nation, nearly half of the people labor to produce a much-less satisfactory diet than we enjoy.

In the past 20 years alone, crop production per acre and livestock production per animal have increased 40 percent.

Without this explosive increase in productivity, it would have been impossible for the United States to have fed a shattered Europe after World War II, or to have sponsored Food for Peace and Food for Freedom. And without these programs, it is certain that millions now living would have died from starvation.

These are some of the direct benefits your science has wrought.

Economic Benefits

Less well-known, perhaps, are the indirect benefits that a progressive agriculture has contributed to economic development of this once "underdeveloped" country.

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The productivity revolution both released agricultural workers for the industrial revolution and lowered the relative cost of food. As a result, more purchasing power was available for the consumption of industrial goods, boosting the United States into an economic climb that is still going on. The agricultural revolution created vast new domestic markets for the basic industries -- fertilizers, farm machinery, chemicals, petroleum, rubber and steel.

But agricultural science did much more than load our tables with food and speed economic development. Future historians may well point to the Land Grant College -- State Experiment Station -- USDA research complex as the birthplace of the "discovery industry" that demonstrated organized research could fundamentally change -- for the better -- the life of the ordinary American. In retrospect, this may be the greatest contribution of all.

National Program of Research

All of this is history, and we shall leave it to the historians to ponder. The greatest challenge to the biological sciences lies ahead, in providing an environment fit for man in this nation; in feeding a world that may number six billion human beings in another 33 years.

I have no doubt that these goals can be met, if we have the determination to do it and if we plan ahead and make skillful use of the scientific resources we already have.

This is the purpose of the recently-completed National Program of Research in Agriculture, a long-range guide to make maximum use of our scientific resources.

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In making our plans we drew upon the expertise of more than 500 scientists and research administrators under the leadership of Assistant Secretary George Mehren. From their findings, USDA and the State agricultural experiment stations prepared targets for agricultural production, marketing and exports; protection of the environment; improving rural living and rural communities; enhancing consumer health and nutrition; and aiding developing nations. In determining research direction to meet these goals, we sought answers to these basic questions:

1. What knowledge do we need to get from where we are now to where we want to be in the year 2000?
2. How much of this knowledge is likely to be produced by our current research programs?
3. How should we change what we have been doing -- where should we put more emphasis, where less -- to fill the gaps in needed knowledge?

Inventory

The study group inventoried current agricultural research, developed criteria for establishing priorities among some 91 research categories, and formulated estimates of the research effort needed for each problem area.

In brief, we determined where we are, where we want to go, and how to get from here to there, examining in depth the characteristics of some 13,000 State, and some 3,000 USDA research projects.

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While we have examined our goals quantitatively, we have also examined them temporally, setting systems goals for one- and five-year periods and the year 2000. We are now devising a reporting system to measure deviation from programmed targets and a system to store, analyze, and disseminate information.

Building this system has not been accomplished without controversy. There is concern over the inventory, projection and programming of federal-state research in agriculture, and there are those who feel that research cannot be planned to any extent or at any level. And so I think it is important to spell out both the program itself and my own feelings on it.

First, basic research is fundamental to this effort. Nearly 40 percent of the Department's research is basic in nature today, and the trend is upward. Such fundamental study of biological and physical processes not only sheds new light on current problems, but provides information we will need to meet the yet undreamed of problems of the future.

Second, the National Program of Research for Agriculture does not set detailed, regimented planning for science. It does not assign a scientist a research question and then tell him how to answer it. Certainly I would reject any system that did so and in any case, it simply wouldn't work.

The program does set goals for agricultural research in very broad terms, goals developed with the advice of scientists themselves.

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The program asks the agricultural research community to develop proposals to provide answers to the problem raised, but it does not tell the scientist how to do his work. He is the best judge of that.

Goals and Resources

Essentially our goals -- what we would like to do -- are infinite. But our resources are definitely finite. This means we must make decisions, establish priorities.

In the military they call this "the economy of force." In civilian life we may call it allocating resources, or PPB -- planning, programming, and budgeting. It is a device we apply whenever we have to balance unlimited demands against very limited resources of time, money, and trained manpower. And science, by its very innovative nature, can lead the way in this new methodology, as it has before in other areas.

Rationalization of our scientific resources -- the most important resource we have -- is an absolute necessity in our ever-more complicated world.

It is a tiny world, with no part of it more than 30 minutes away as the rocket flies. It is an interrelated world, one in which a drought in India can call forth a response from mid-America, a continent away.

John Donne could have described today four centuries ago when he wrote:

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"No man is an island ... every man is a piece of the continent. If a clod be washed way, Europe is the less. Any man's death diminishes me, because I am involved in mankind ... and therefore never send to know for whom the bell tolls; it tolls for thee."

In this seventh decade of the twentieth century the bells toll all over the world, for those who have ears to listen and hearts to comprehend.

The Rich and Poor Nations

The greatest dichotomy of our times is not between white and black, or even East and West, but between the rich and the poor.

In the rich nations ... North America, Europe, Oceania, the U.S.S.R. and Japan ... are 900 million people. Two and one-half billion live in the poor countries. In the rich countries, incomes average \$1,700 per person per year; in the poor nations, \$110 a year -- one-fifteenth as much.

Between the richest and the poorest nations the gap is much wider. This year the average American's income was 33 times higher than that of the average resident of India.

For both moral ... and deeply practical reasons ... it is imperative that the gap between rich and poor nations be narrowed. In the past decade, only one of the 27 rich nations has suffered a major war on

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its own territory. Yet 32 out of the 38 poorer nations have known war in their homelands, usually conflict of a prolonged nature.

In today's poor nations, as in the underdeveloped nation that was America in the mid-nineteenth century, science holds the key to increased agricultural productivity, the solid base upon which all subsequent economic development rests.

It is impossible to stress this point too strongly:

History clearly shows that no nation has moved from chronic stagnation into sustained economic development unless it first achieved a substantial gain in agricultural productivity.

"World Food Situation"

This is the lesson to be drawn from every study that the Department has conducted recently, including the latest World Food Situation Report, "Prospects for World Grain Production, Consumption and Trade."

Since it bears directly on the problems of world hunger I have just discussed, this report is worth examining in detail.

Six months in preparation by USDA's Economic Research Service, this study is the latest in a series which project future world food needs and capabilities; giving us estimates needed for vital policy decisions in food aid, economic assistance, domestic farm programs and expansion of commercial agricultural exports.

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An earlier study, "The World Food Budget, 1970," measured projected food supplies on the target year against minimum caloric needs. Later reports compared needs for food aid in the poorer nations with U. S. capacity to produce it on acres presently diverted from crops.

The new report, with 1970 and 1980 target dates, differs from earlier studies in two important respects:

First, present and projected supplies of grain for the whole world -- not just the U. S. or just the other grain exporting nations -- are considered. The reason for this, of course, is that grain produced anywhere in the world affects total supply.

Second, the new study takes into account estimates of economic demand for grain, which is related directly to economic growth, especially in the less-developed nations. A simply way of stating this is that when income is extremely low, and goes up, so immediately does demand for food.

Our best estimates on this economic demand were also cranked into the equation for this analysis. In some earlier analyses, a fixed standard of minimum diet -- the desirable rather than the probable -- was used.

But by focusing in on probable economic growth rates in the nations we studied, we gained a much more realistic picture of both needs and probable supply.

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The new study does not invalidate earlier ones. Quite the contrary. Each measures different things, uses different assumptions, and each allows us to lift a different corner of the veil of the future.

In brief summary, this is what we found:

-- Given a continuation of the historical rates of increase in grain production in the less-developed countries -- an increase that has averaged a respectable 2-1/2 percent in recent years -- by 1980 these nations would require between 54 and 58 million metric tons of grain imports each year, versus an average of about 29 million tons in the mid-sixties.

-- But, when we measure world capacity, as this study did, we find that even by 1980, with a near-doubling in imports by the less-developed nations, the world as a whole probably will continue to have excess production capacity. The production capacity of the developed countries will grow regardless of growth in the less-developed countries. Notice I said "capacity." Whether or not there is an actual surplus of grain depends on how that capacity is used, which in turn depends on production and trade prospects, and government policies.

-- Only if the less-developed countries could somehow increase their levels of agricultural productivity to 4 percent annually -- a rate achieved by only a few undeveloped countries -- could they achieve a high enough rate of economic growth to reach desirable minimum caloric

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levels for their people and break their dependence on food aid. Our economists view any such radical rise in productivity as extremely unlikely.

This is the guts of the report. It calls for more food aid and agricultural technical assistance -- not less.

Now what implications does this report have for U. S. and world food policy? In my opinion, these are the major ones --

1. Food aid will continue to be needed to buy time until agricultural production is sharply increased in the hungry nations. Their grain import needs may be 50 percent higher by 1980. But food aid must be tied to self-help -- for if it isn't, agricultural development will be held back, subsequent economic development stagnated, and disaster merely postponed, not averted.

2. So we can't allow food aid to retard efforts by the poorer nations to help themselves. It's a tightrope we have to walk. Too much food aid would tend to depress the prices of local farmers and deprive them of a major incentive for increasing their own production. Too little would be equally as bad.

A key phrase you'll be hearing in this connection is "effective demand." We use it often when we set U. S. production targets in the basic crops. Effective demand is not only commercial demand -- domestic and export -- it also includes the amount of food that we can and should

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put into aid programs, consistent with the well-being and progress of the developing countries.

It doesn't mean the maximum amount we can raise; neither is it limited only to what we can sell.

It is not an easy thing to define or to determine, but determining it is key, and public understanding of the process -- and the economic reasons behind it -- is vital.

Our policy, in short, is not based on giving less, but on helping more.

3. The Report also sharply delineates the immense difficulties the underdeveloped nations face in modernizing their agriculture, as at the same time they struggle to decrease their staggering population growth. Both will take massive adaptive and basic research, technical and capital assistance from the developed world. The Report of the President's Science Advisory Committee documents both needs in great detail. The whole developed world -- not just the U. S. -- must help. Both food aid and population control are essential.

4. As the report realistically points out, in the years immediately ahead part of the world will have the capacity to produce more than enough grain to meet effective world demand. So we may still be faced with surpluses in one part of the world, shortages in another. The problem, then, is not one of absolute shortage, but one

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of distribution -- devising ways to get enough grain -- but not too much -- where it is needed most and will do the most good.

It will be a heart rending process to determine this "effective demand," but it must be done, country by country.

The report then, is a message of hope. It says that the world food problem can be solved, if we care enough to solve it. Actually many of the less-developed countries are already demonstrating that the war on hunger can be won.

Mexico, with its "Plan Chapingo," modeled after the U. S. Land Grant College system, is providing agricultural research and extension services to Mexican farmers. With help from the Rockefeller Foundation and others it has increased its wheat yields three-fold in the past 25 years and doubled corn production.

So successful has Mexico been with its new dwarf, rust-resistant wheat strains that seed wheat Mexico has exported to India and Pakistan is increasing yields and bringing new hope to these nations.

Mexico has imported some technology; developed more themselves, and today is 95 percent self-sufficient in food and fiber. They've also developed booming agricultural export markets. All of this in a nation so short of arable land and water that 25 years ago many doubted it could ever feed its own people.

The Mexican examples is illustrative of what agricultural science

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is accomplishing around the world. In Africa, the first chemically-sterilized tse-tse flies will be released this year, a program that offers hope of eliminating the carrier of sleeping sickness in humans and the nagana disease in livestock -- a vital necessity in a continent literally starved for protein.

Without this protein children die -- sometimes at a rate 40 times higher than children of the same age in developed countries. Protein-starved children who live often suffer mental and physical retardation.

Under the leadership of Dr. Aaron Altschul, Special Assistant for International Nutrition Improvement, the Department is now exploring and putting into use various methods of fortifying grains with amino acids or protein concentrates. Incaparina, a mixture of cottonseed protein concentrate and corn, sold in Guatemala, is now being fortified with lysine. Last week an emergency shipment of flour left for Bihar, India, fortified with lysine, the first such large-scale operation in history.

Our goal now is to fortify all emergency shipments of grain by 1969 and to fortify all exports of grain to protein-short areas by 1970.

The U. S. food industry is now heavily involved in developing new foods and food industries in protein-short countries. Such new foods include protein beverages, products from soybeans, cottonseed products for human consumption and new foods from wheat-protein concentrates. Our goal for 1970 is one billion additional cups of protein beverage per day in those areas where protein is short.

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These are some of the challenges that USDA scientists are exploring right now. By 1977, 26,000 additional agricultural scientists will be needed. We know that we must depend upon you who are teachers to find, inspire and train them, and I hope that you inspire some of them to work in the laboratories of the Department of Agriculture. To those who come to us, I can promise a lifetime of exciting, challenging work in the most fundamental problem facing mankind; the conquest of hunger.

The war on hunger has none of the high drama of a successful moon shot. But for mankind, the greatest challenge lies not in the stars, but in ourselves.

Augustus B. Kinzel, President of the Salk Institute for Biological Sciences, said this of it:

"... the greatest challenge we are going to see in the future has to do with the internal, not the external, environment. It will be brought about by the explosion of biological knowledge already taking place. With the unraveling of the DNA molecule and with increased knowledge of proteins, antibodies and the like, we can reasonably expect that, by 1980, we will be able to handle and control disease due to changes in the internal environment just as we now handle ... diseases due to external assault."

Some of the other advances that biological research can be expected to produce, Dr. Kinzel continues, are predetermination of sex in infants, control of the aging process and, still further in the future,

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licking the problem of aging completely, "so that accidents will be essentially the only cause of death."

If this sounds the realm of possibility to you, then I can only surmise that you are not a child of our time. In my lifespan alone I have seen television, one-hour trips around the earth, laser beams, the eradication of polio and, conversely, weapons systems capable of obliterating whole continents in seconds.

This is our world -- with all its good -- with all its ills -- and we in the United States stand at the center of it. Endowed by the Almighty with intelligence and free will, we can make of its future what we would have.

As usual, de Tocqueville said it better ... and earlier ...

"Democratic nations care but little for what has been, but they are haunted by visions of what will be; in this direction their unbounded imagination grows and dilates beyond all measure. Democracy, which shuts the past against the poet, opens the future before him."

Thank you, and good night.

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UNITED STATES DEPARTMENT OF AGRICULTURE

Washington, Sept. 7, 1967

Secretary of Agriculture Freeman's Statement on S.C.-Ga. Tour of Sept. 7, 8:

The end of this century will see 100 million more people living in America than are here today -- an expected population in the year 2000 of 300 million, an increase of 50 percent.

Where should they go? Where can they go to find jobs, to find a chance at a reasonably good life in the place of their choice?

This question, which could be the most important of our day, faces all Americans -- those living in the depopulated countryside, and those living in the over-populated cities.

Seventy percent of our people are jammed onto one percent of the land today, and the march to the cities continues. It will never stop until rural America and small town America do something about it.

Town and country must work together to keep their people, to halt the creeping decay in the countryside -- and they are doing it in many communities throughout the nation.

That is one of the chief purposes of my trip into South Carolina and Georgia -- to see what is being done by local people, with help from their governments at all levels, to create local opportunity, to offer residents displaced by technology a chance for productive, rewarding lives in their own communities.

This is the third such trip -- perhaps we might call them Town and Country Tours -- that I have made this summer, and I have two more planned this fall.

I have seen dramatic examples of town and country cooperation to halt the migration to the cities, an exodus that takes from 500,000 to 600,000

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persons a year from the countryside.

All too often, these people find no more opportunity than in the countryside which they left, but they stay, adding to the congestion and to the problems of our already embattled cities.

This summer we have seen some of the results of this congestion and of this poverty -- of this despair -- in our cities, when trapped, hopeless people were easy prey to those spreading a creed of violence.

I am here because I believe this migration can be halted. And to see that this exodus to our impacted cities can be stopped, and even reversed, we need look no further than the Congaree Iron and Steel Co., Inc., near Columbia, S.C. It is the first stop on this tour.

The plant is a result of the melding of the vision and energy of local citizens with the assistance of the Small Business Administration and the Rural Electrification Administration.

Started as a roofless assemblage of second-hand machinery in 1957 with a work force of 10 unemployed Negro men, the plant today employs 400 persons -- persons who would have been prime candidates for the march to the cities.

The plant's 1-1/2-million-dollar payroll is the backbone of the community, I am told, and the economic impetus of this one industrial endeavor has resulted in a rebirth of the Congaree community.

This is what Mr. W. F. Threatt, prime mover and president of Congaree Iron and Steel had to say:

"In our community, an economic and sociological miracle has taken place. Our sole purpose, at the outset, was to start a business and make money. What happened?"

And then he went down a list of new schools, new business places, new

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churches, and new homes bought or built by Congaree employes.

Because the community today offers jobs and opportunity for leading decent lives, young Negro men who had left Congaree for the big cities in "droves," as Mr. Threatt described it, are returning home.

They prefer to live there, and now they have a chance.

This, to me, is a dramatic example of a successful effort to restore rural-urban balance to this land in preparation for the year 2000 and its 300 million Americans.

This is an impressive local beginning toward the purposeful proper use of space in America, but it -- and others like it across the land -- are but the first steps toward what must be, in my opinion, a national effort toward rural-urban balance, an effort based on national and regional planning for the land and its people.

Therefore, I am looking forward with keen interest to the last stop on this Town and Country Tour. It is at Milledgeville, Ga., where I will get a chance to talk with the people who are intimately connected with the Georgia Area Planning and Development program.

Georgia is a leader in the concept of multi-county planning for the wisest use of the land and the resources of an area for the benefit of its people -- not only for this generation, but for those to come.

I want to find out exactly how it was set up and how it has developed and what it is doing and can do. Because I believe that in Georgia's pioneering effort, we might well have the outline of a national pattern for achieving rural-urban balance.

Between Congaree and Milledgeville, there are equally exciting examples of town and country efforts to preserve, to restore, or to create a way of life forsaken by too many for a simple lack of jobs.

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There are the Six-Mile Community Water District and the Bethlehem-Roanoke Rural Water District in South Carolina, built with the help of the Farmers Home Administration.

I understand that 1,100 family homes are hooked onto these systems, and that they have a potential for hundreds more, creating an atmosphere conducive to rural industrial development and enabling those who would like to, to move into rural areas, and perhaps do some small-scale farming to augment incomes from work in the textile mills.

There is the Tri-County Tec School at Pendleton, South Carolina, where men and women are trained for vocations. The school, one of 11 in South Carolina, is financed by local, State and Federal funds.

And the Apple Festival at Westminster, S.C., interests me greatly, because it shows how determined people, faced with a decline in returns from one crop -- in this case cotton -- switched to another -- apples -- with remarkable success.

There are Housing and Urban Development and Farmers Home Administration housing projects in Louisville, Georgia, and a Farmers Home Administration-financed water system in Deepstep, Georgia.

All these projects, and others like them in these and other States, indicate to me that there is a growing awareness of the accelerating rural-urban imbalance, and a growing resolve that it must be corrected.

Dynamic, determined local leaders are using programs created by a concerned Administration, and passed by a Congress that cooperated with the Administration, to revitalize their own communities.

Thus, there is action in some areas of town and country, but the era cries for more. It calls for nothing less than a total national commitment

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to rural-urban balance, to the planned use of space, space which stretches 15 miles across the valley for some and 10 feet to the traffic-glutted street for so many.

This is not a rural problem, nor a city problem. It is a national problem -- a national challenge.

It is a challenge that can be met, and the first step toward meeting it -- toward charting a national course on the proper use of land for the people -- has been taken.

Five other Cabinet officers and I have called a symposium during the week of December 11 in Washington, D.C., to discuss what I believe is one of the most urgent questions of our time: Should we try to check -- and even to reverse -- this exodus of people from country to city?

We hope to bring some of the best minds in the world to bear on the question, and I hope that we can get every thinking American to put his imagination to the same challenge.

We need everybody's help. If we do the job, 300 million Americans will have the chance to live where they choose in the year 2000, free of discord, free of despair, free of want.

But we must start now, while there is still time to act.

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A dedication should be both a tribute and a commitment.

A tribute to those people who believed enough, cared enough and did enough to achieve something worthwhile and lasting.

A dedication is also a commitment to the future where unfulfilled hopes will be realized and reachable expectations attained.

This is such an occasion and I am proud to share this moment with you.

Congratulations are, of course, in order to many, many people who contributed their energies, their experience, and their strong sense of community responsibilities to see these two great projects to completion and reality.

It is not possible to name them all, but in behalf of all I want to single out the two chairmen: W. R. Reid of Central, South Carolina, and Norwood Cunningham of Pickens, South Carolina, and the officers and directors of their boards: Donald Mitchell, Sam R. Bolding, Kay Baumgarner, Nathan Kelly, all of the Six Mile Water District, and W. E. Dalton, Mrs. Ellen G. Irwin, Brandon Breazeale and Oliver Patterson, all of the Bethlehem-Roanoke Water District.

Remarks by Secretary of Agriculture Orville L. Freeman at dedication of Six Mile Community Water District and the Bethlehem-Roanoke Rural Water District, South Carolina, 11:30 A.M. September 7, 1967.

I am certain all of you share with me and this Administration an unshakable confidence in the ability of people in rural America to create the kind of attractive, prosperous communities that mean expanding economic opportunities with jobs and new business enterprises and the kind of living environment that every American deserves, with good housing, good schools, good health services, and adequate recreation.

While the basic thrust for attaining this kind of rural America for all its people, largely rests with the efforts and determination of the people themselves, it also requires Federal, State, and local programs, plus financial and technical assistance to realize them.

The progress you have already made is remarkable:

-- more than 1,100 families now have a good, clean and safe supply of water, in an area where it is difficult and expensive to obtain. Tomorrow your two systems will be serving more than 2,000 families -- not to mention your schools, other public institutions and all your business places.

-- your land and property values are steadily increasing.

-- one small industry has moved in -- others will.

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-- you will soon get a new telephone exchange and a new post office.

-- a new Vo-Ag training school is being built.

-- new homes are being constructed.

The signs of progress and community expansion are evident everywhere and as the circus barker says: "It's only the beginning folks -- only the beginning!"

As you celebrate you will be glad to know that more than 2,000 rural communities like yours have installed water or sewer facilities and another 500 have constructed fine recreation areas since 1961. This, too, is only the beginning of the total job President Johnson has set for this Administration -- the rebuilding and revitalizing of ALL of rural America.

Why is it so important and so urgent that we plan now and start now the job of full and complete development of ALL our rural resources?

Why do we put the highest kind of Administration priority on our "rural communities of tomorrow" program?

One compelling reason is this:

-- for too many years -- yes, for too many decades -- the people in rural America have been falling farther and farther behind urban areas in quality of housing, community facilities, job opportunities, education, health and and all those things essential to a good, creative and rewarding life.

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This unconscionable and unnecessary gap in economic and social advantages between rural and urban living -- this alone as a matter of simple justice would justify a crash program to upgrade the quality of living in rural areas.

But this is only part of the reason.

The very fact that this opportunity gap was permitted in the first place and then allowed to pervade and erode the whole economic and social structure of rural America created not just an isolated rural problem, it created, as well, an awesome, sometimes terrifying, urban problem of national proportions.

The absence of job opportunities in rural areas, the dwindling and sometimes total lack of educational, health and social advantages; unattractive communities, and a pervasive feeling of hopelessness and lack of confidence in the future, have literally forced 20 million rural people into our urban areas since 1950.

The creation of this rural - urban imbalance of population -- where more than 70 percent of our population has jammed itself into 1 percent of our land area, cost rural America millions of its best young people.

While the cities got many of our best young people, they also got millions of unwanted, unprepared, uneducated people -- young and old -- most of them incapable of coping with urban life with its tensions, its congestions, and almost total lack of jobs for the unskilled and untrained.

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In this same two decades, some two-thirds of the rural Negro population migrated to the cities -- where they found even less desirable living conditions, and much more frustration and despair than they had in the countryside.

Well, you know the results.

To fail to understand the causes of ghetto frustration and violence and to refuse to recognize and attack the underlying forces is to perpetuate more frustration and more violence. Such a course threatens the very foundation of our Republic.

We in rural America have a responsibility to help alleviate the pressures that we have imposed on the cities.

As we go about the job of redeveloping the resources of our countryside and our rural communities and our family farms, we may not be able to reverse the tide so that mass numbers of people return to rural areas -- but surely we can accomplish two things:

-- we can stem this lemming-like migration,

-- and we can build a rural America rich in opportunities, so that many of the some 100 million additional people we shall have by the year 2000 can choose to live in the countryside if they wish. As President Johnson said: "we must give these millions of people a right of choice where to live."

To do this we must develop our rural environment in an orderly, wise and constructive manner. We must not repeat the mistakes made by the cities.

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As Winston Churchill once said: "those who forget history -- repeat it."

We do not intend to repeat and emulate the mistakes of the cities, where so many men have no face, no name, no identity.

We do not intend to industrialize rural America to the point where the countryside is just one string of factories.

We do not intend to deface the beauty of open spaces or pollute the streams, the lakes and the air.

We are going to build a rural America of the kind I see about me. A beautiful area -- with expanding opportunities -- with unlimited potential for as many of your people and your sons and daughters and consins and friends as choose to live here.

The big industrial complexes -- the steel mills, the auto plants, the huge chemical and other manufacturing centers need not be eyesores and blights that poison the surroundings. Instead, they can be fitted into the landscape and built to serve, not pollute.

Service industries will follow industrial and recreational developments. Each is nourished by the other, and, as the wealth of a community grows, so can its facilities for education, health and cultural life.

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Industrial, recreation and service industries will come to rural America, if we work at it, and, along with our agriculture, they will provide the economic backbone for jobs, new tax income, new business, and the subsequent social benefits that people want and need,

But you and I know that these things don't just "find their way" to a community; they can't be bestowed by a benevolent government; they don't just happen. They are the product of dynamic local leadership, working with determined local citizens such as you have here, and using every tool -- public and private -- that is adaptable to the task.

I am happy to report to you that other communities, in other States and in other regions, are doing what you people are doing -- working together, using their own resources and those of their governments, to build better communities communities of opportunity for all.

This series of Town and Country tours which I began last June has confirmed to me that there is positive action and dynamic action in small town and rural America. The countryside is stirring.

I visited an area in Iowa last June where local leaders and officials of 10 counties have combined to plan for the wise use of the resources in all 10 counties to improve the economy and enhance the living in the entire region.

On that same trip, I visited Tupelo, Mississippi, a city that has made itself the base for an amazing record of economic growth in a 7-county area.

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At Liberty, Texas, last week I was briefed on a Resource Conservation and Development project which is drafting a plan of action for conserving, developing and using the natural resources -- including human resources -- of 11 counties in the wisest and fullest ways. .

And just this morning, at Congaree in your own State, I visited the Congaree Iron and Steel Co., Inc. Ten years ago, it was a roofless assemblage of used machinery; today it is a thriving industrial plant, with 400 employees and a million-and-a-half-dollar payroll.

People who had fled, jobless, to the big cities a few years ago, are actually returning to Congaree, because this is where they want to live, and this is where they can get jobs now, thanks to dynamic local people.

These are the kinds of things that are happening in scores of communities. They are the first steps in what must be a national commitment to rural-urban balance if we are to be prepared for the year 2000, and its 300 million Americans. We need many more steps; we have a long way to go. But we are on the move.

We must plan, and we must act, if we are to be able to give these 300 million people a choice in the whole spectrum of life -- jobs, environment, health, recreation, culture and education.

Studies are now under way to see how best we can decentralize our higher education so that every young person who wants to go to college need not travel more than a few miles from where he lives. And these small rural colleges will become, not only centers of learning and training, but centers of culture and artistic opportunity and enjoyment.

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To me, what you are doing here -- and what is being done all over rural America -- represents one of the most exciting developments of this century.

And people like you are making it possible.

It is you who are providing the leadership and the ideas. It is you who have confidence in your own communities and in yourselves. And it is you who are making the Federal and State programs work because you are demonstrating an infinite capacity for cooperation.

It can't be done any other way.

In building a better rural America -- we build a better whole America.

This you are doing and that's why I am so proud to be here today.

Thank you.

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Office of the Secretary

It is my opinion that Main Street and the farm -- I call it town and country -- hold the key to the destiny of this nation. Today this is what I want to review with you.

I want to discuss a worsening situation that threatens the very foundation of American life and institutions. I refer to the suicide road we have been traveling for the last 20 years as we have dumped 20 million Americans into the great cities from the countryside.

If we permit this trend to continue, if we fail to use space in the countryside to make a place for the 100 million more people, at a minimum, who will inhabit this nation by the year 2000, we will be committing national suicide.

This may well be in the long run our greatest national challenge, and our greatest national threat. You have been working to meet this threat for a long time, applying progressively increasing funds and personnel to community resource development, and I want to talk with you about that, and about what I believe we all must do to provide, as your convention theme says, "Opportunities for the Future."

But first I want to compliment you on the truly magnificent job you have done on the farms of America.

Address by Secretary of Agriculture Orville L. Freeman before National Association of County Agricultural Agents in Omaha, Nebraska, 1:30 p.m. September 18, 1967.

The Land Grant system -- research, education and extension -- has brought our agriculture to a production pinnacle unsurpassed in all history. You have helped the American farmer meet the challenge of feeding his countrymen in war and in peace, and of feeding the hungry in more than 100 nations throughout the world.

The story of American agriculture can be summarized quite simply: In 1920 one farmer produced enough to feed eight people, today he produces enough to feed 39.

You showed him how to do it.

But, I am sorry to say, we have never been very successful in managing this abundance for the farmer. Too often his productive genius has meant depressed prices for him. But we are learning.

Last year was a record income year. This year, bumper crops worldwide are depressing prices at market time. Now we can see how valuable our farm programs are. If grain farmers will hold their production and market prudently, prices will firm up. There is no world surplus. World demand is strong, and it will grow.

So I urge you, not to tell farmers when to sell, but to caution them not to engage in panic marketing, to take advantage of the farm programs, the money they are getting in production payments and the loans, which give them more holding power than they have ever had before.

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There is a lot of downward pressure on prices this year, but we are already using the New Era farm programs to improve matters for next year.

Wheat acreage already has been adjusted down. It is too early to make an announcement yet, but it seems likely that adjustments will be made in feed grains and soybean acreage, too, for next year.

In addition, we have taken what other action we can to shore up prices -- CCC grain and soybean stocks are off the market, except for a very limited volume of lower qualities that must be moved for prudent inventory management, and a limited amount of wheat moved to encourage expansion of our Asian market. And we are moving large amounts of wheat in the Food for Freedom program.

We have tried to add to storage facilities by renting or selling surplus CCC bins to farmers and by moving bins to the South and East to relieve storage distress.

However, there are strict limits to what any government program can do. In the last analysis, sharp changes in the weather in any one year -- in the United States and around the world -- will alter supply more than any government program can hope to adjust it.

So we are bound to have sharp shifts in the volume of supply from time to time, such as this year.

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We also should remember that only about 40 percent of what we produce on the farm comes under our farm programs. Sixty percent of farm production moves directly into the so-called free market.

I don't advocate any government program for this 60 percent, but I do advocate that farmers everywhere take a hard look at collective bargaining.

I have been saying since before I came into this office that the farmer must get out of the situation in which he sells in a buyer's market and buys in a seller's market. He must get his own muscle in the marketplace. By some means or other, farmers must develop a free bargaining system that will give them a strong voice in how much they get for what they have to sell.

To me this offers the best, and perhaps the only, approach to full farmer prosperity with the widest measure of freedom.

Perhaps farmer bargaining power is an idea whose time has come. I think so! More and more farm groups have shown an interest; the President has endorsed the principle. And I hope that, after you get home, you will stimulate farm bargaining discussions every chance you get. We need to carefully and thoroughly explore every possibility, commodity by commodity.

I could usefully spend all my time with you discussing commercial American agriculture. But I came here today specifically to challenge you -- to ask your help on this national problem of

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people-land imbalance -- because I know that you have not been working with the farmer these many years only to increase production for production's sake. Rather, you have been working to help each farmer to make a better living -- a better life -- for himself and his family, and for what I like to call Countryside U.S.A.

And your country needs your help more than ever before to solve this rural-urban balance problem before it destroys us as a free nation.

The skill in community development, the confidence of town and country that you have earned -- these are needed as we grope our way toward a solution of this problem, a solution which can mean, by proper use of the abundant space that we enjoy in this country, what I like to call gracious living for every American. It can truly mean a Great Society.

Let's take a quick look at where we are now.

Today, 70 percent of our people live on one percent of the land, the majority of them piled into congested cities and sprawling suburbs, and the pile-up continues.

We are expecting a population increase at least 100 million by the year 2000 -- 300 million Americans. And that is the question, the great challenge that we face today: Where should these new Americans go? Where can they go to find jobs and a chance for decent lives in a place they want to live?

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Today, in the year 1967, few could go to rural America, to a countryside that since 1950 -- in less than two decades -- has lost 20 million persons to the big cities, and that is still losing them at the rate of 500 to 600 thousand a year.

This exodus, triggered by the technological revolution in agriculture, has produced economic and social decay in the small towns and the small cities.

Many of you have seen the results as you travel around your counties -- the weathered, abandoned farm house, a curtain flapping through a broken window; the soaped-up plate glass of the store front -- the "Closed" sign taped to the door; the weeds standing tall around the vacant service station, and the growing ratio of older people on Main Street.

This is what the departure of its residents is doing to the countryside.

What has it done to the big cities?

It has compounded existing conditions of congestion, pollution, tension, unemployment and despair, and added to the problems of already problem-ridden urban officials.

And you need to look no farther than your television screen or your newspaper to see what this incredible pile-up of people means ... riots, fires, killing, looting -- the instruments of desperate people, crowded, with no hope, into the ghettos of many of our cities.

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So that today is what we have to offer the 100 million new Americans of the year 2000: A decaying countryside or an exploding city.

Ladies and gentlemen, we are sitting on a time bomb of imbalance.

When we talk about 100 million new Americans, we are not talking about statistics. We are talking about your sons and your daughters, and their sons and daughters, and their cousins -- we are talking about human beings of all races, all colors ... human beings who deserve the same chance for a choice that you and I had.

And right here I would like to commend the Extension Service for the way you have tried to run your programs in a manner consistent with the Civil Rights Act of 1964. It has, in some cases, taken special courage and special determination, I know, but most of you are doing your part to insure that the opportunities of which we talk for the year 2000 are opportunities for all. And I'm confident you will press even harder for real equal opportunity in the days ahead.

The year 2000 is not far off. Time is running out; we must act now while there is still time to act.

The challenge is for nothing less than a total national commitment to rural-urban balance, to the purposeful, proper use of space, space that stretches down a tree-shaded road to the lake for some, and across 10 feet of littered sidewalk to the curb-side trash can for too many others.

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No one knows better than you that today there is action along this line in rural America -- in both town and country. There is motion; important beginnings are taking place. You have been the prime movers in many of these beginnings.

By Executive Order, the President has charged me with the coordination of Federal programs in all departments operating in rural America. Since then I have toured all over the country so I know that scores of small towns and cities and dozens of counties are using every resource they can find -- public and private -- to spark a rural renaissance in their particular corner of America.

About 200 of the 500 Federal programs providing State and local assistance can directly aid rural development, and more and more local people are using our Technical Action Panels to explore these programs to find the ones that will best help them to help themselves.

These panels, set up as you know to facilitate private and State and local efforts to speed and broaden rural area development, are now operating in 2,997 counties. We have TAP committees in all 50 States.

Your participation in these panels has been important. If there was ever a place where we need your talents for educational and organizational leadership, it is here, in this effort to rebuild and revitalize rural America.

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Many of you know what can be done and is being done to transform the countryside into a place of opportunity again because you have had a role in the transformation.

I am thinking, for instance, of the sorghum syrup cooperative in Prentiss County, Mississippi. Extension organized the co-op, and designed the plant, which was built with a Farmers Home Administration loan. Then Extension helped operate the plant while training local people to take over the job.

This, to me, is a fine example of teamwork between two Department of Agriculture agencies to help low-income people help themselves.

And less than two weeks ago, I spoke at an Apple Festival in Westminster, South Carolina, center of a thriving apple industry, developed under Extension leadership to replace income lost by the decline of King Cotton in this farming area.

You have been doing this in many places around the country. There is the okra and vegetable processing plant in a low-income area in Arkansas, the switch from cotton to soybeans, the increasing diversification of agriculture in areas that were chained to a one-crop economy.

But let me be specific. I want to cite one example of what one county agent has done and is doing in the remaking of his community.

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In 1963, Livingston Parish in Louisiana was on the decline -- mechanization was forcing people from farm jobs; many were moving away, income was down, 20 percent of the labor force was unemployed.

County Agent R. H. D'Armond called a meeting of county leaders and representatives of Louisiana State University to discuss how the people could take advantage of the old Area Redevelopment Administration program.

The meeting might be called a forerunner of the Technical Action Panel. It resulted in the formation of the Livingston Redevelopment Association, Inc., that triggered an overall economic development plan in which Mr. D'Armond has been a prime mover. This is what has happened in Livingston Parish since:

- Unemployment has dropped from 20 to 8.5 percent.
- A 55-bed hospital has been constructed.
- Three municipal gas systems have been expanded to serve rural residents.
- A \$4 million capital improvement program has been started.
- Bonds of \$800,000 for a new courthouse have been approved.
- A 7-mill school maintenance tax and a \$1½ million school construction program have been approved.
- Several small industrial plants have opened, providing direct employment for more than 560 persons, persons who would have been prime candidates for the march to the cities.

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These are some of the tangible, visible accomplishments in which you have played major roles. But even more important, in my opinion, has been your contribution to community and area planning and development.

There is Tenco, in southern Iowa, where 10 counties have combined forces under Extension planning and organizational leadership and have made impressive gains in improving the economy of all 10 counties by wise use of regional resources, including human resources, and of government assistance.

This pioneering venture in planning, achieved not without opposition, could well set the pattern for our national effort as we strive for rural-urban balance, for a more meaningful use of our land.

You, of all people, know that multi-county planning provides the resources, the expert advice, the professional approach that must be brought to bear.

And you know the value of a broad approach to broad problems. I am impressed with Extension efforts that have been brought to my attention to organize programs, and planning, on a multi-county basis in parts of Oklahoma, Missouri, Arkansas, Colorado and other States.

If the area planning and development legislation -- Section 701 -- now before the Congress is passed, you will be called on for leadership in the planning, educational and organizational work that will be required.

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We need more regional approaches to the problems of the countryside, and we need your help, not only in the planning but in the day-to-day effort to revive rural America as we plan for the year 2000.

We can have the kind of America we want, but it will take brainpower, willpower, imagination -- and hard work -- on the part of us all.

We are traveling uncharted waters in determining a national policy on rural-urban balance, and we are learning as we travel.

As you probably know, five other Cabinet officers and myself are sponsoring a national symposium on this subject in Washington December 11 and 12.

We hope, with the help of some of the best minds in the world, to find some answers -- or at least to find the questions for which to seek the answers -- that will enable us to rig the proper sail as we set out.

We need all the ideas we can get, and we must work together, learning as we work. There is more than enough to do; there is no room for bickering between government bodies, agencies or departments or between Chambers of Commerce.

You men, with your years of experience, with the Extension tradition of reaching out to rural Americans to teach them how to help themselves, are crucial to our success in meeting this challenge.

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And the springboard for this broad assault on this massive problem of our time is the Technical Action Panel. These panels are a sincere effort on the part of the United States Department of Agriculture to support local citizens and community leaders by mobilizing every possible arm of Federal, State and local government to the task of putting new life, new vigor -- new horizons -- into the countryside.

No one knows rural America as you men do. You work with its sons and daughters, its mother and fathers, and with grandpa and grandma. You know the whole family.

We need your wholehearted effort on these panels. Rural America needs it -- and urban America needs it. We are all in this together -- city slicker and country boy alike -- 200 million of us trying to prepare for 100 million more.

The Marine in me cries out to order you into this battle. But I would not do that, even if I could. For you know and I know that a man responds fully only to a call from within himself.

You answered that call when you became county agents. If you can answer this new call -- this call from the glutted cities and the troubled towns -- as you answered the call from the farms, I have no fears for the year 2000.

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I see this call as your opportunity to become as well known in the next 50 years as builders of the American Communities of Tomorrow as you have become well known in the past 50 years as builders of American agriculture.

Many of you -- most of you -- have answered, and you are sacrificing extra hours, extra effort, extra energy to help make this a land that we will be proud to hand to those 100 million new Americans.

But nothing less than a total effort on the part of us all will meet this challenge. So to those of you who have not "joined up" in this fight for a better America, I say only this: "We need you."

And, given the Extension Service tradition, I know that this is enough.

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I feel truly privileged to participate in this Forum on "Youth for a World Beautiful."

First, I like the title. It is a wonderful title, positive and forward-thinking. It is very apt -- great men and great events in man's history have not come from being negative, or limited, or backward looking, but rather from the calmly confident forward view of the doers who keep working and building for a world beautiful.

Second, there is nothing I enjoy more than exchanging ideas about the future with young people like you.

I've heard it said that there is a barrier, a wall, a kind of iron curtain which divides the under-30 and over-30 generations today.

I have not found it so. In the past few years I have met, spoken, and exchanged letters with thousands of young Americans. I am impressed with the openness of your questions, with the frank honesty of your opinions and attitudes.

I am not one who thinks the young people of today are going, as our parents put it to us 30 years ago, to the dogs. Rather, you are better educated, healthier, bigger and more aggressive than we were.

Address by Secretary of Agriculture Orville L. Freeman at World Food Exposition, Madison, Wisconsin, September 23, 1967, 10:00 a. m.

You also are freer than young people ever have been before, and as a consequence, you perhaps feel more lost, more alone, as you move through a more complicated and competitive world than young people have ever known.

But it is a better world, too. In this country we have less illness, less poverty, better education, more time of our own than ever before.

But while this might be the best of times, to paraphrase Charles Dickens, it is also the worst of times for some, and we are hard at work today trying to make it the best of times for all by directing our attention to those who need help -- the sick, the old, the poor, the ill-trained and the minority groups.

President Johnson has for more than six years been leading a battle against poverty, against discrimination, against ignorance, a battle whose object is, as he put it, "not just man's welfare, but the dignity of man's spirit."

I could spend the rest of my time with you listing what has been accomplished under his leadership in this battle. It ranges from the Highway Beautification Act to Medicare, and from the Elementary and Secondary and Higher Education Acts to the Water Resources and Clean Air Acts and the Economic Opportunity Act.

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Some of you may have participated in the Neighborhood Youth Corps programs this summer, or perhaps in VISTA, in which dedicated young volunteers join the war on poverty and the fight against discrimination.

There is no excuse for poverty or discrimination in this great and free and affluent land. And, as a matter of clear national policy, enunciated and carried forward by a dedicated, determined and resourceful President, we are fighting the war on poverty and discrimination from one end of this country to the other.

The active participation of the young people of this nation is crucial on both fronts of this struggle. And you are giving that help to your President and your national and local leaders in great measure.

You also are concerned about your personal futures -- and you should be. You are intensely interested in building a better world -- and again you should be. You are deeply devoted to the ideals of peace, brotherhood and human dignity -- and I thank God that this is so.

I would only ask you to understand that many of us in the over-30 generation are also concerned about all this -- and no less deeply, no less intensely, with no less dedication.

We live in tense times. But I firmly believe that the trials of the present are the crucibles in which a better world -- a world beautiful -- can be, will be, and is being shaped.

With Winston Churchill I believe that: "In the past we have had a light which flickered, in the present we have a light which flames, and in the future there will be a light which shines over all the land and sea."

What kind of world will that light reveal?

What can we look for in the world of, say 1980, or beyond that, the world of Century Twenty-one?

I'm sure many of you wonder sometimes: Will there be a worthwhile, meaningful future for somebody like me in Countryside U.S.A.? Will there be a challenging, satisfying, economically rewarding place for somebody like me in farming?

No doubt, you've heard people say: "Farming is an old man's game" -- "Agriculture is a declining industry" -- "Rural America is dead."

My answer to that is: Baloney! I deny every one of those statements. To paraphrase an early American humorist -- some people know an awful lot, but most of it "just ain't so." I agree. The 7-state, 2,900 mile trip we have just completed verifies what I have found all over the United States -- "It just ain't so." Rather than a rural burial, a rural renaissance is getting underway throughout America.

Nothing is more important, and nothing is more exciting. Without such a rural renaissance, we will never accomplish the "World Beautiful" that you are discussing here today. But before we look to the future, let's lay to rest some of those old canards about rural America.

Farming is NOT an old man's game. Successful farmers ... I mean, in general, those with gross sales of over \$10,000 a year -- are younger on the average than self-employed people in manufacturing, retailing or wholesaling.

The fact is that farming is becoming more and more of a young man's game. One out of every three persons who began farming in the 1950's and made a success of it was under 35 at the time he started.

Agriculture is NOT a declining industry. Thirty years ago, one person in agriculture supplied food and fiber for 10 persons. Today he supplies nearly 40. That fact makes the individual farmer more important in the national economy than ever before.

American agriculture has become the greatest production marvel in the history of man. If we were as far ahead of the Russians in the space race as we are in agriculture, we would now be running a shuttle service to the moon.

Economic prospects in agriculture are NOT gloomy. They are promising. Don't let anybody tell you there's no future on the land.

The average farmer netted about 70 percent more money from his farm last year than he did in 1960. True, farm people still lag behind city people in per capita income -- but they are gaining and if farmers will work together they will gain faster within the next few years.

As I look 5 to 10 years ahead, I see the American farm as a very good place to live and make a living. People on efficient family size farms will have as good an income as most people in the cities -- plus the advantages of fresh air, clean water, living and breathing space, and natural beauty in abundance.

And they will continue to profit from increasing property values. Rising values are a major reason why the average net worth of U. S. farm operator families is nearly twice that of nonfarm families -- around \$44,000 compared with about \$23,000 for all U. S. families.

As for rural nonfarm America, believe me, it is NOT dead. It may have seemed to be dying a few years ago. But today there is in progress a renaissance -- a great revival.

Mrs. Johnson and all of us on the tour have seen it in being over and over again this week. From Montevideo, Minnesota, to Columbus, Indiana, and from Mark Twain's boyhood home in Hannibal, Missouri, to the new Sylvania Recreation Area in northern Michigan, we have been inspired by what local people, working with their federal, state and local governments, have accomplished.

We saw rebuilding, revival, rejuvenation.

Montevideo, under an Urban Renewal program, has torn down 35 old, decrepit buildings and is rebuilding or refurbishing 65 others. They are rebuilding streets, improving street lighting, and, with impetus from a local church, they have built a retirement home.

A beautiful structure in a beautiful setting, it has 80 apartments, a place for graceful living where senior citizens are finding a new, active life in their golden years -- and, most important, it is a life in the countryside they love and to which they have devoted so many years of their productive lives.

At Columbus, a small city of about 25,000, we discovered that big city America has no corner on the fruits of architectural genius. We saw churches, schools and an entire city block designed for beauty as well as use -- to please the heart as well as the mind.

These are but two brief examples of what we have been seeing -- of what is happening in scores of communities in our land. And it is thrilling -- inspiring -- to see people and communities spurred by a new spirit, breaking free of the straitjackets of apathy and poverty.

Building on this beginning, I am convinced that in the next decade this nation can, and will, revitalize hundreds of existing small towns -- and create many new planned communities.

They will offer almost everything the big cities can provide -- except the congestion, confusion, crime, ghettos, unemployment, unrest, polluted air, and dirty water that besmirch the typical American metropolis today.

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This is the beginning of the light which will shine over all land and sea. It is the beginning of the World Beautiful which your generation and mine seek.

Thus far I've been talking about the relatively near future. Now let's dream a little about a time farther down the road -- when you will be my age. We in the USDA have been speculating about the year 2000 -- the dawn of the 21st Century.

First, let's take a quick look at the farms of the year 2000.

Most of today's crops will still be grown. But they'll be different, grown from redesigned, sturdier plants that mature much faster than now.

The pesky weeds of today will be laboratory curiosities.

You will never see -- much less swat -- a housefly, and many other insects. Livestock will grow to market size on a third less feed and in a third less time than now. Hens will be on an 18-hour cycle, and they'll lay not 240 but up to 400 eggs a year.

Only about 2 million people in the United States will be actively engaged in farming. But there will be good jobs in related fields. Computer-controlled machines will plant and irrigate the crops, fertilize by prescription, determine when produce is ready for market, harvest on order, and grade and package the commodities for delivery by supersonic cargo planes to fully automated warehouses.

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Yet -- despite the size and the cost of these farms of tomorrow -- they will still be family-owned and operated.

Now what about other parts of America? Here is what we foresee 33 years in the future.

A land of 300 million Americans living in less congestion than 200 million live in today.

Urban centers free of smog and blight, with ample parklands within easy reach of all.

A Countryside U.S.A., dotted by new towns and growing rural communities where the benefits of community life are enhanced by the rich beauty of the land.

New industry and factories throughout rural America, providing the necessary economic underpinnings for the good life in the country.

A land free from devastating floods, with clear rivers scrubbed of pollution and silt, and sparkling air.

Long before the year 2000 we will have closed the nutrition gap for the people of America.

In the world at large, thanks in large measure to agricultural space satellites already developed, the war on hunger will have been won.

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Young people, you and I are living in the most exciting and challenging period in history. The sum total of scientific and technological knowledge and information almost doubles every decade. We can change the face of the world more in the next 33 years than it has been changed in the past 3,000.

But these achievements will not happen by themselves. Most of them will depend on your decision, your determination, your imaginative planning and skillful use of scientific resources.

You, the youth of this nation, are the trustees of posterity.

Do not say you are too young to take on the world. History says you are wrong. I hold up before you **as** a challenge what other young people have done:

Cyrus McCormick -- inventor of the reaper at the age of 22.

Abraham Lincoln -- who first ran for the Illinois Legislature at 23.

Isaac Newton -- discoverer of the law of gravity at 24.

Charles Lindbergh -- who flew the Atlantic at 25.

Sister Elizabeth Kenny -- who began to develop the "Kenny treatment" for polio at 23.

Don't let the fact that you are young in years stand in your way. Age is as age does. Resolve to be a doer.

Tomorrow belongs to youth. It belongs to you. Tomorrow can be as bright as you yourselves resolve to make it -- with "a light which shines over all the land and sea." It can be a World Beautiful.

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And now it is my pleasure to introduce to you the First Lady of the United States of America, a most gracious person, one who is deeply interested in you. Truly a first lady, she is intelligent ... dedicated ... a homemaker, and the determined spark in our nationwide effort to put beauty into all our lives.

And most important, she, like myself and most of my generation, has been educated by teen-age offspring -- Mrs. Lyndon B. Johnson.

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U.S. DEPARTMENT OF AGRICULTURE
Office of the Secretary

Whether I am speaking as quarterback of this team, or Colonel of the Battalion, I am very proud of my position as head of this research organization with its long and productive history.

And I am happy to join in welcoming these distinguished guests and friends to our Open House at the Agricultural Research Center.

We had three reasons for asking you to join us today in this celebration of National Agricultural Science Week.

First, we wanted you to look with us at what agricultural science is doing for mankind now -- and to see how these efforts will help us to support a better world by the year 2000 -- and beyond.

Second, we wanted to give you a graphic demonstration of our intention to improve and increase the flow of information from the U.S. Department of Agriculture to the public. These exhibits and demonstrations today are examples of our open door policy in action. We plan to implement this policy with a permanent visitors' center so that visitors can come year round and see for themselves what agricultural science is doing to serve them.

Finally, we wanted you to join us in laying the cornerstone for a great new library that will give added support to the progress of agricultural research.

Address by Secretary of Agriculture Orville L. Freeman at the National Agricultural Science Week open house, Agricultural Research Center, Beltsville, Md., September 28, 1967.

As we pursue these three objectives during the day, you will see examples of the agricultural research and science that have helped to lay the foundation for the economic and social structure of this nation.

Agriculture provides the very fundamentals of human existence -- food, shelter, and clothing. Until these fundamentals are provided, no man is free to contribute his efforts to anything else. Without a strong and productive agriculture, the goods and services ... the culture ... the way of life that we know ... could not have evolved.

Agricultural research in this country has more than paid for itself. It would be impossible to calculate the ratio of costs to benefits of the agricultural research that has already made its contribution to men, women, and children everywhere.

Let me explain briefly how this has worked.

Here in the Department of Agriculture, we feel that the job of research is not done until the findings are made known and applied. I am proud of the unique Federal-State partnership in agricultural research and education that is finding solutions to the problems standing in the way of national progress ... and is letting people know what those solutions are.

Agricultural scientists today are probing the basic cell structure of living matter and the fundamental life processes of plants, insects, animals, and man. They are broadening our understanding of our environment so we can modify it for the welfare of mankind.

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But we are not leaving this basic knowledge to gather dust in our laboratories. For more than a century, we have carried the results of our research into the field and seen them put into practice. Our scientists and educators have the time and the patience to show farmers, food processors, manufacturers, and homemakers what they have learned.

As a result, agriculture, our biggest industry, has an enviable record for improving production efficiency. A century ago, 7 million farm workers were needed to feed 31 million Americans. Today, roughly 6 million farm workers feed 200 million Americans, plus 160 million beyond our shores.

Without this explosive increase in productivity, it would have been impossible for the United States to have fed a shattered Europe after World War II, or to have sponsored Food for Peace and Food for Freedom. And without these programs, it is certain that millions now living would have died from starvation.

These are direct benefits of a progressive agriculture. But the indirect benefits were also vitally important to the economic development of our country.

The productivity revolution both released agricultural workers for the industrial revolution and lowered the relative cost of food. As a result, more purchasing power was available for the consumption of industrial goods, starting the United States on an economic climb that is still going on.

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Our experience during the past century underlines a basic truth. We in America have demonstrated that science holds the key to increased agricultural productivity, the solid base upon which all subsequent economic development rests.

In fact, history clearly shows that no nation has moved from chronic stagnation to sustained economic development until it first achieved a subsequent gain in agricultural productivity.

That is why it is so important now that we continue to export our agricultural know-how to the less-developed countries. Their success depends upon their agricultural growth and development.

We are sending our scientists and technicians abroad to share the results of our basic and applied agricultural research. Working with the people in the developing countries, we are adapting this knowledge to the specific problems and needs of those who are trying to feed themselves from their own land.

We are also inviting increasing numbers of foreign technicians to train here under our leading scientists. For example, at the U.S. Salinity Laboratory in Riverside, California, more than 1,600 foreign nationals have learned how to diagnose and correct salt damage to soils, that holds down crop yields in many parts of the world. And more than 50 foreign scientists and scholars from some 30 countries have trained under our crops scientists in the past three years.

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So far, I have mentioned agricultural research as it supports the productivity of the land. But in the more than 100 years of service to people, USDA scientists have contributed to many other aspects of living.

--Our scientists traced the cause of Texas cattle fever to the fever tick, not only paving the way for eradication of a devastating disease but paving the way for the control of such human diseases as malaria, yellow fever, typhus, encephalitis, and bubonic plague.

--Our researchers developed a practical process for commercial manufacture of penicillin during World War II and discovered the high-yielding strain of penicillin-producing micro-organism that is in use today.

--Other USDA scientists showed that dextran, a starchlike carbohydrate, is an excellent blood volume expander that is used to extend the supply of whole blood for transfusions ... a particularly vital discovery in times of national emergency.

--Agricultural research has expanded industries and created new ones with developments such as frozen orange juice concentrate ... dehydrated potato flakes and granules ... wash-wear cottons ... stretch cottons ... and washable woollens that do not shrink.

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And so, when we look at what has been accomplished, we can give agricultural science an A Plus. Certainly agricultural science among all the sciences best deserves the title of "Humanitarian Science." Its goals are inseparable from the deepest goals of all mankind; of all the sciences, it is the one most responsible for the preservation and enhancement of human life upon this planet.

But the press of world events is not going to give us time to pat ourselves on the back for a job well done. The task of agricultural research is just beginning.

In productivity alone, research must continue to find new and better ways to produce the food and fiber for a growing population in the future. But our goal is not just filling basic requirements. We must improve the standards of living for all our people.

We also will need an increasingly efficient agriculture to take advantage of our expanding export markets. Last year, for example, feed grains became our largest single dollar earner of any export, agricultural or industrial. Now that our surpluses have disappeared, farmers will have to become increasingly efficient to meet competitive market demands at home and abroad.

We look to agricultural science to give us better methods for managing natural resources. We are not now doing a good enough job of protecting our soil, water, and forests. And the calls upon these resources will become even greater in the future.

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Agricultural research must find better ways for us to use more water and still keep it free from pollution -- to enjoy our forests and shade trees and still maintain an effective timber industry -- to grow more from our soil and still maintain its fertility.

Agricultural research must find ways to revitalize rural America and improve the quality of American life. We need to find out how to maintain a better rural-urban balance.

We need research studies to shed more light on the migration of rural people to the cities. We know the rates of migration. We know who is migrating -- what age groups. But we don't know the educational level of these people or why they left or where they are going when they leave rural communities and small towns.

In this field of rural-urban balance -- in this field of human resources and the need for rural opportunities -- we are today about where we were 40 years ago in knowing what was needed in breeding seed corn.

We have not even scratched the surface on this type of research and the human need for knowledge is vital.

We do know that people will go where the opportunities seem most attractive. If that is in Los Angeles or Chicago, that is where they will go. We must find ways to provide more opportunities in rural communities ... to make them truly more attractive.

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For the less developed world, agricultural science must find better means to wage the war on hunger. We must find a way to prevent the starvation that is now taking its toll in thousands of lives around the world. We must find a way to alleviate the malnutrition that restricts the capabilities of millions who succeed in averting actual starvation.

The latest World Food Situation Report, "Prospects for World Grain Production, Consumption, and Trade," made certain points evident.

The report estimates that the less-developed countries by 1980 will require between 54 and 58 million metric tons of grain imports, in contrast with about 29 million tons in the mid-sixties. This estimate assumes continuation of the historical rate of increase in grain production -- an increase which in recent years has been a respectable 2½ percent annually.

Only if the less-developed countries could somehow attain a 4-percent increase in grain output annually could they achieve a high enough rate of economic growth to provide their people with adequate diets without food aid. Our economists view any such radical rise as extremely unlikely. Few undeveloped countries have increased productivity so rapidly.

So food aid will continue to be needed ... to buy time for hungry nations to strengthen their ability to feed themselves.

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But we must redouble our efforts to help them to help themselves. One of our current research projects may prove useful in these efforts ... one which you will see illustrated in our exhibits today.

And that is a joint project with the National Aeronautics and Space Administration to combine the techniques of the computer and space age to work for agriculture. We are attempting to perfect the use of remote-sensing methods to detect differences in soil, identify crops and forest trees, and to determine crop condition.

When these methods are in use from an orbiting satellite, we will be able to better help developing countries make efficient use of their land ... or even to use land in areas not yet considered for agricultural production.

Part of the research and much of the planning and direction of research to meet these challenges will be done here at the Agricultural Research Center. We are supporting this effort by the transfer next year of the world's second-largest government library -- and the largest devoted to agriculture and related sciences -- to this nerve center of Department research.

The National Agricultural Library will occupy a new building, on your left almost directly across the main highway from where we are now. I am sure you saw it when you entered the grounds this morning. The architect's model here beside me shows how the 15-story structure will look when it is completed in October 1968.

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At 11:30 this morning, I will lay the cornerstone for this new library, which will replace our outgrown and outdated quarters in downtown Washington. We will transfer a collection that has grown from the 1,000 volumes inherited from the Patent Office in 1862 to more than a million and a quarter volumes today. The new building is designed to accommodate a collection more than half again as large.

The National Agricultural Library shares with the Library of Congress and the National Library of Medicine the responsibility for coverage of the world's scientific literature. It is not unusual for our Library to receive publications in as many as 50 languages from 150 countries in a year. Exchange with institutions throughout the world is the source of three-fourths of the books and periodicals being added to our collection today.

We not only add some 275,000 periodical issues each year by exchange, purchase, and gift, but our staff also handles almost that many requests for loan or photocopy of works on our shelves. The National Agricultural Library serves the entire scientific community -- colleges and universities, research institutions, agricultural industry, and other Government agencies -- as well as our own employees.

In modern quarters, the Library will be able to serve all of these users more quickly and efficiently in an age when agricultural knowledge is in such urgent demand in solving problems at home and abroad.

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We plan to extend to scientists more special services similar to those provided by our Pesticides Information Center. And the new building is designed for future installation of a computerized system of information storage and retrieval that will mesh with similar systems being developed with the Library of Congress and National Library of Medicine.

The broadening of services by the Library is part of a general mobilization of the Department's scientific resources to build the kind of agriculture our country will need during the remainder of this century.

The Department and the State Agricultural Experiment Stations have joined to develop this last year a comprehensive plan to guide the direction our research should take. This long-range study of agricultural research needs provides answers to three basic questions:

What knowledge do we need to get from where we are to where we want to be in the year 2000?

How much of this knowledge is likely to be produced by our current research programs?

And how should we change what we have been doing -- where should we put more emphasis, where less -- to fill the gaps in needed knowledge?

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We then used the long-range study as a basis for setting research objectives to be reached in the next year, within 5 years, and by the year 2000. Our scientific objectives, of course, are based on the knowledge required in achieving the long-term goals of the Department as a whole.

These goals are expressed in terms of a common theme, Agriculture/2000, that looks to the future in our major areas of responsibility:

- * Communities of Tomorrow -- an environment for better living and a revitalized rural America.

- * Resources in Action -- wise care and use of water, land, and timber.

- * Growing Nations -- New Markets -- trade and aid, with emphasis on victory over hunger.

- * Income and Abundance -- parity of farm income, continued food abundance, and a rising level of nutrition for consumers.

- * Knowledge for Living -- information and services that will improve the quality of American life.

- * Science in the Service of Man -- the miracles we can expect from agricultural research.

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Together, these goals express a commitment by the Department to use its wide and varied resources in making America a more productive and satisfying place to live during the rest of this century.

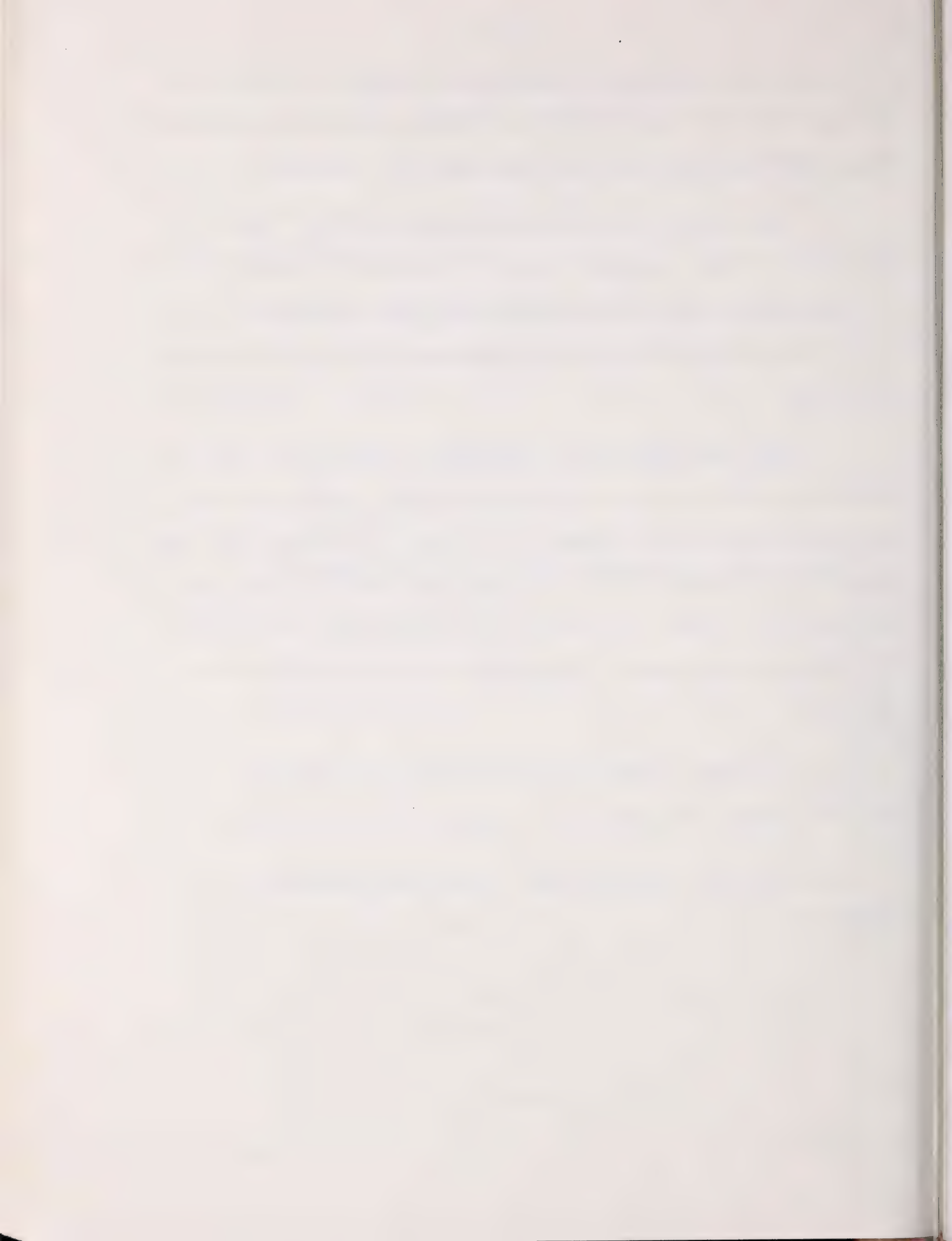
The theme of our open house, Agriculture/2000: Science in the Service of Man, spotlights the role of research in carrying out this commitment. The exhibits you will see today are designed to give you some idea of the revolutionary developments that may be expected in the future.

And I hope this will be the first of many visits. I hope you will visit the Agricultural Research Center again, and that you will bring your associates and friends. In the past, we sometimes have not been able to accommodate all of the groups that wished to visit our laboratories. But when we establish our visitor center here, we will be able to give more people a more informative picture of what we are doing here.

I am proud of what our scientists are accomplishing, and I know that you will be, too.

It is now my pleasant task to open this exhibition for your inspection.

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TWO IDEAS WHOSE TIME HAS COME

It has been said that there is no force in the world greater than that of an idea whose time has come.

I would like to talk with you today about two such ideas:

Farmer bargaining power and rural-urban balance.

At first glance the two ideas I've mentioned may seem somewhat alien to your point of view as urban business and professional leaders. Yet, I do not believe this is the case.

Because you are oriented toward business, the professions, and life in the city, and I am oriented toward farming, agribusiness, and rural America does not mean that our points of view are at odds.

There are other -- and more important -- characteristics that we share in common.

For one thing -- we are all consumers.

As consumers we are interested in continued and expanding abundance, variety, and high quality of food and other agricultural products at fair prices. This is very intimately related to farmer bargaining power. Farmers will not go on subsidizing consumers indefinitely.

Address by Secretary of Agriculture Orville L. Freeman before Seattle Chamber of Commerce, Seattle, Washington, September 29, 1967, 12:30 p.m. (PDT).

We have in this country the most productive agriculture ever known.

On the average, one person in U.S. agriculture today supplies abundantly the food and fiber needs of 40 persons -- compared with 26 in 1960 and only 10 persons 30 years ago.

Between 1950 and 1965 output per manhour in agriculture rose nearly three times as fast as in nonfarming occupations -- 132 percent in agriculture against 47 percent in the rest of the economy.

Without this immense labor-saving contribution on the part of agriculture, our nation would not enjoy the abundance of goods and services of all kinds that we have today.

In fact, if we had as large a proportion of our people engaged in agriculture today as was the case some 30 years ago, a substantial number of us who are in business and the professions would be out in the fields instead of here in this hall.

It sounds extravagant but it's true -- American agriculture may well be the greatest production marvel in the history of man.

If we were as far ahead of the Russians in the space race as we are in agriculture, we would now be running a shuttle service to the moon.

I intimated a moment ago that farmers are subsidizing consumers. A hidden farm subsidy -- one that is seldom mentioned -- has been holding down food costs in this country for years. Let me illustrate.

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You are paying a good 20 percent more today for the food in your market basket than you did two decades ago.

But farmers are getting less -- they get 6 percent fewer dollars for the food in your market basket than they did in 1947-49. At the same time farmers are paying over 30 percent more for what they must buy.

If farm prices had increased as much as retail food prices since 1947-49, American consumers would have paid \$14 billion more for their food last year, a food bill increase of about \$280 for a family of four.

Consumers pay more, but farmers get less. That's what I mean by a hidden farm subsidy.

This fact, more than any other, is the reason the American farmer seems troubled and upset at times. He's doing a better job than ever before and getting paid less for it.

This problem -- helping farmers receive a more equitable return -- has occupied my mind for nearly seven years. It is a problem with many facets and we have attacked it from every angle we could think of. We attacked the mountainous surpluses that existed in 1961. Today the surpluses are gone. The government investment in farm commodities has been cut about \$5 billion -- nearly 60 percent -- below the 1959 peak.

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Farm net income since 1960 has risen 40 percent and income per farm 70 percent.

Yet, even after these advances the total per capita income of people on farms is still a good one-third below that of nonfarm people.

The Congress has given farmers the best programs that could be worked out. Most of these programs are voluntary and farmers are freer to make their own production decisions -- to do their own planning -- than at any time since the 1930's. These programs, if we make allowance for unexpected weather changes that sharply increase production worldwide, are working well.

Well, then, what's the trouble? Why aren't farmers better off?

Again, there are many facets to the answer. But one big facet is the fact that about 60 percent of farm cash receipts comes from the sale of crops and livestock not covered by farm programs -- cattle, hogs, poultry, eggs, and a good many field and tree crops. In these "no-program" areas, the farmer essentially must go it alone in the market -- and he's finding it tough.

Farmer Bargaining Power

It has become clearly evident that further progress toward parity of income for farm people must depend primarily on what they can do for themselves -- on their ability to maintain supply-demand balance -- and specifically on their ability to increase their economic muscle or bargaining power in the marketplace.

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To some people the phrase "farmer bargaining power" conjures up visions of runaway food prices, milk poured in ditches, and shotgun lines in the countryside.

Of course, that's pretty much the reaction "collective bargaining" for labor evoked half a century ago.

But the nation has learned that collective bargaining can be good for both management and labor and as a result good for consumers and the nation. I doubt if the management of any industry in this country would willingly go back to the days before collective bargaining.

In essence, bargaining is a simple, age-old concept. It involves two or more parties each using skill, power, and persuasion to achieve an advantageous agreement.

Bargaining power can be used in either of two ways. One is punitive -- negative -- it is the ability to make the other party suffer if he does not accept your offer.

Just as a labor union striking a plant can penalize management, so farmers by withholding their products can cause economic loss. This kind of power is necessary in the bargaining process. It is basic. But a responsible organization uses it only as a last resort.

The second way to use bargaining power is positive -- rewarding -- it is the ability to help the other party to become better off over the long run if he accepts your offer. And this is by far the more common result of the use of bargaining power. For example, when a

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processor deals with a large cooperative, gains for both parties often follow in the form of lower marketing costs and other economies from large-scale operation.

When a farm organization uses its positive power -- resulting in lower marketing costs, better quality, or more stable supplies -- everybody gains. This is a healthy aspect of the free enterprise system. It should be encouraged.

There have been many attempts to improve farmer bargaining power in the past. In some areas cooperatives have been fairly successful. But in most cases the requisites for effective action on a broad scale have been lacking. A bargaining organization must control a large percentage of the product. And equally important, the unity of the organization must be sufficiently developed that the members will engage in unanimous action in such matters as restriction of their output or marketings if the need arises.

These conditions pose great difficulties for farm organizations. Producers of many important crops are scattered through a great number of states.

It's geographically hard for them to get together. Moreover, farmers have always prized their independence. Another important factor is that farm commodities, unlike labor, are mobile. They can be shipped quickly and economically over great distances. Thus, it's difficult -- in some cases almost impossible -- for a farm bargaining organization to achieve effective nationwide control through its own efforts.

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Does this mean that effective farmer bargaining power is hopeless? Not at all.

There is a close analogy between farmer bargaining associations today and the labor unions of the early 1930's. The small craft unions of the 1930's with their skilled, closely-knit members, are similar to today's associations among producers of regional crops, such as tomatoes, cherries, or cranberries. These associations, like the craft unions, are fairly effective because of the close community of interest among their members.

The large industrial unions of the 1930's, such as the automobile workers and steel workers, with their diversity of interests and skills are analogous to today's farmer associations that represent one or even many widely produced products such as cattle, hogs, and milk.

It was the labor laws of the 1930's -- particularly the Wagner Act -- that made large industrial unions effective. As you know, the Wagner Act gave labor the right to bargain collectively through representatives of its own choosing. Previously, a union could secure employer recognition only by engaging in a costly strike. Under the new law the workers could choose a union and the employer had the obligation to bargain in good faith with it.

There is a growing belief that appropriate legislation can do for farm bargaining associations what the Wagner Act did for labor unions.

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I think farmer bargaining power may well be an idea whose time has come. There is strong interest in it and considerable support for it. I have been consulting with farm organization leaders and farmers from throughout the nation, and I can tell you that this idea is really catching hold.

We're dead serious about it. We've been examining commodity after commodity to determine what kind of organizations, what kind of machinery can be developed to give the producer some kind of power proportionate to that of the forces he must deal with in today's relatively free market.

The approach could take several forms.

One idea is legislation to establish a National Farm Bargaining Board. This NFBB would serve farmers in much the same way as the National Labor Relations Board serves labor.

Initially, the Board, at the request of a producer-group, would determine the boundaries, size, and composition of a "product-bargaining unit," based on existing marketing patterns. If more than one group vied to represent growers, the Board would supervise an election to be decided by majority vote.

It would then certify a bargaining agent and insure that processors bargained in good faith with it. The same legislation might provide that all producers would share the association costs, and that prices negotiated by the bargaining agent would be binding on all suppliers, once the price was ratified by growers.

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Thus, all growers supplying a particular processor would receive a similar price, much as a single negotiated wage level now covers all industrial workers who do similar work and who are represented by the same bargaining agent.

The association might be empowered to bargain with a representative of several processors, so that it could negotiate a single industrywide contract rather than a multitude of individual contracts.

Now let's go a step further. Assuming that effective bargaining power is achieved, what safeguards would be needed to avert any possible gouging of the public? This would be particularly intolerable in an area so essential as food. This problem, too, is receiving our very close attention now as we continue to examine all aspects of an improved bargaining power framework.

Of course some safeguards are already provided in the Capper-Volstead Act. This law empowers the Secretary of Agriculture whenever prices are "unduly enhanced" to issue a cease and desist order enjoining any farmer association from withholding activity.

Another idea, which might well work together with the bargaining board, is the broader use of marketing agreements such as are already in effect in many areas and for many commodities under both State and Federal law.

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Specifically we might ask for authority to include additional commodities under these agreements; to establish minimum prices and other terms under which handlers could acquire products from producers; and to make adjustments in producer allotments and for marketing quotas where necessary.

The key aspect of marketing agreements and orders is that the initiative for action -- and the leadership to design, approve, and get a program working -- must come from farmers themselves and their marketing agencies.

To go into effect an order must be approved by two-thirds of the producers. This assures broad-based support, but does not require complete unanimity. To keep it in effect requires a simple majority. This lessens the difficulties of maintaining a viable organization of small and geographically scattered producers.

It remains to be seen whether farmers can come together enough to make either of these approaches to bargaining power really effective. But if, as I believe, this is truly an idea whose time has come -- they will. And farmers at long last will have the tools to get the income they need and deserve.

Rural-Urban Balance

I said I wanted to talk about two ideas whose time has come. Now let us turn to the second -- the idea of rural-urban balance.

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I dislike the use of extravagant terms, of scare tactics. I do not find it easy to "view with alarm."

But I have the deep-seated conviction that we are nourishing a time bomb of imbalance in this country. For the past 20 years we have been traveling what could well be a suicide road, as we have dumped 20 million Americans from the countryside into the cities -- to the detriment of rural and urban America alike.

Today, 70 percent of our people live on one percent of the land, the majority of them stacked up in congested cities and sprawling suburbs. And the pile-up continues.

We expect a population increase of at least 100 million by the year 2000. Where will these new Americans go? Where can they go to find jobs and a chance for decent lives in a place where they want to live?

Today, in the year 1967, few could go to rural America. Not only has the countryside -- in less than two decades -- lost 20 million persons to the big cities -- it is still losing them at the rate of 500,000 to 600,000 a year.

Why do they leave? Because of a lack of jobs, because of poor educational and health facilities, few recreational, cultural and social advantages. They leave because their communities are deteriorating and hold out little hope for the future.

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Many of you have seen the results -- the weathered, abandoned farmhouse, a curtain flapping through a broken window -- the soaped-up plate glass of a store front, with a sign that reads "Closed" taped to the door -- the weeds standing tall around the vacant service station -- the growing ratio of older people on Main Street.

This is what social decay does to the countryside.

What does it do to the big cities?

It compounds existing conditions of congestion, pollution, tension, unemployment and despair. We need look no farther than our television screens or our newspapers to see what this incredible pile-up of people means -- riots, fires, killing, looting -- the instruments of desperate people, crowded, with no hope, into the ghettos of many of our cities.

Is this what we are going to offer the 100 million new Americans of the year 2000: A decaying countryside -- an exploding city?

When we talk about 100 million new Americans, we are not talking about statistics. We are talking about our sons and our daughters, and their sons and daughters, and their cousins -- we are talking about human beings of all races, all colors -- human beings who deserve the same chance for a choice that you and I had.

The year 2000 is not far off. Time is running out. We must act now while there is still time to act.

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The challenge is for nothing less than a total national commitment to rural-urban balance, to the purposeful, proper use of space -- space that stretches down a tree-shaded road to the lake for some, and across 10 feet of littered sidewalk to the curb-side trash can for too many others.

What can we do? Ladies and Gentlemen, we can literally alter the face of this land. We can remove the eyesores. We can preserve the beauty. And we can use our space to create opportunities in the countryside -- opportunities that we must create if we are to fulfill for the generation of the year 2000 the promises set forth in the Declaration of Independence and in the Constitution.

American industrial genius has given us the techniques to do so. It is simply a matter of using them -- but of using them on an unprecedented scale. Why should we not apply the same total national effort to the space in which we live that we have applied to outer space and to the space under the sea?

True, there is drama in orbiting the moon, and in studying Venus and Mars by satellite, and in living locked in a pressure chamber on the ocean floor.

But there is equal drama to me in a vision of 300 million Americans living at ease with each other, and with their environment, in an attractive land ... a land dotted with clusters of renewed small cities and towns, sprinkled with the farms of a prosperous agriculture, and marked by great cities standing tall, free of pollution and blight ... free of despair.

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We can build this America. We can have it by the year 2000. But it will take more than just dollars, and more than industrial genius. It will take the energy, the determination, the imagination of business, industry, farmers, architects, engineers, labor unions -- of every thinking American.

It will take a total national effort, an effort committed to the space in which we live, and to the 300 million Americans who will be living in it less than 33 years from today.

I am happy to report to you that many citizens in small town and rural America are committed to the renewal of their particular corner of the countryside, and that they are taking positive, effective action to provide the jobs, the opportunities for culture and education -- the chance for gracious living -- that are needed to hold their people and attract more.

I will see some examples of this dynamic motion in your own state of Washington today and in Oregon tomorrow.

I have already seen them in the Midwest, in the South and on the Eastern Seaboard.

And I am exhilarated by what I have seen.

The things that are happening in scores of communities are the first steps in what must be a national effort for rural-urban balance if we are to be prepared for the year 2000. We need many more steps; we have a long way to go. But we are on the move. For this, too, is an idea whose time has come.

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To me, what is being done in rural America represents one of the most exciting developments of this century.

We must give it added impetus -- make it snowball.

And only people like you can do that. People like you are needed to provide the leadership, the drive, the ideas, the local initiative.

I am hopeful for the future of America. I am hopeful because people like you -- and an idea whose time has come -- make an unbeatable combination.

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U. S. Department of Agriculture
Office of the Secretary

I have often said that a dedication should be both a tribute ...
and a commitment.

A tribute to those who believed enough, cared enough, and did
enough to achieve something worthwhile and lasting.

A commitment to the future where unfulfilled hopes will be
realized and attainable expectations reached.

This is such an occasion.

I have read some of the history of the Oregon Museum of Science
and Industry and of the events leading to construction of the agricultural
hall which we dedicate today, and it appears to me that congratulations are
due almost the entire population of Portland and a great many people living
elsewhere in your great state.

It is not possible to name all those whose energy, imagination,
determination and sense of responsibility brought this significant project
to completion.

So in tribute to all, let me single out a few as typical of the
many who gave so much of themselves to it.

There is Max Lehmann, who conceived the idea of an agricultural
hall and rallied support for it, and in whose memory it is named.

Remarks by Secretary of Agriculture Orville L. Freeman at the dedication of
the Max Lehmann Memorial Agricultural Hall, Oregon Museum of Science and Indus-
try, Portland, Oregon, 9:30 A.M. (PDT) September 30, 1967.

And Doctor Samuel Diack, who, I understand, has achieved distinction as the "beloved beggar" for his fund-raising efforts on behalf of the museum and the agricultural hall.

I was told of the organizing genius of Mrs. Mabel Mack, of the help of Reub Long and Herman Oliver, two of Oregon agriculture's elder statesmen, and of the guiding influence of my old friend and former Commissioner of Conservation in Minnesota, Dr. George A. Selke.

And I was told of many more, of the interest and the enthusiasm of the hundreds of volunteers that created here a unique new institution.

Where else does such a hall of agricultural science exist in a museum? Where else is agriculture treated as an industry in a scientific institution of this kind?

This agricultural hall will help to inform and remind the people of Portland and of other Oregon cities of the significance of the land and of the industries based upon it.

Farming is big business in Oregon.

It generates more than three-quarters of a billion dollars in buying power each year.

It brings in more than a quarter of a billion dollars a year from products sold outside the State.

It employs 62,000 workers, without including the many city jobs

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that depend on farm products and on farmer demand for goods and services.

It involves farm investments totaling \$2½ billion -- and that is equal to three-quarters of the assets of all Oregon banks, or about half the annual income of all Oregonians.

These farm investments average about \$42,000 for each Oregon farm worker.

Agriculture here, as throughout America, is a growth industry, an industry faced with a double challenge.

First is the challenge from the people within agriculture, the dreamers, the innovators, the adventurers ... the people for whom the present bounty is not enough, from those who recognize the good and want to make it better.

Second, there is the challenge inherent in the world's rising population, in the necessity for feeding the millions to come, not only in this country, but throughout the world. And as leaders of the free world, this is an obligation we cannot shirk, even if we would.

It is up to us to refute the pessimistic Malthusian theory that population growth will outstrip the capacity of the human race to feed itself.

The means to overcome these challenges lie with us ... all of us. In the laboratories of the Department of Agriculture, in our State universities, in our complex of private research, the quest goes on ... how to grow

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things better, faster and cheaper and how to price them fairly.

You people here in Oregon are in the forefront of the vast and humanitarian enterprise to meet these needs.

This agricultural hall which we dedicate today is the visible manifestation of the real tools that can get the job done. The invisible things that get the job done are things of the spirit ... the desire and the determination.

The planners of the hall, the sponsors and the exhibitors have expended great effort ... and money ... to bring to the citizens of Oregon ... to all visitors to this museum, intelligent, ingenious and instructive devices that will educate and inform.

You will be able to trace the course of agriculture from natural resource to finished product. And perhaps some of the youngsters who visit this hall will be inspired to pursue careers in the field of agriculture ... to make contributions to the well-being of mankind of a nature that even the most visionary among us cannot now foresee.

The exhibits in this hall, and the purpose behind its establishment, illustrate forcefully the complete interdependence of the city and the country.

But that interdependence is sadly out of equilibrium.

As we enter the last third of the twentieth century, we learn to our dismay that seventy percent of our people live on one percent of

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our land. We learn also that without any corrective measures being taken, by the year 2000 eighty percent of our people will live on one percent of the land.

My fellow Scandinavians will share with me, I know, the conviction that this is unconscionable waste ... to say the least.

Let me review with you for a moment how all this came about.

While our ancestors were developing their ingenuity, discovering and inventing new ways of increasing the bounty with which a generous nature has endowed us, as our country grew and prospered, we learned that it was no longer necessary in many instances to put in the amount of time and effort and labor that our forefathers had to expend.

To take an example out of very recent history: Two decades ago, eighteen percent of our people were required to produce the food and fiber to feed, clothe and shelter our nation and serve our export markets. Today the same tasks are performed by only 6 percent of our population.

What has happened to the people who are no longer needed on the farm?

We learn that they are flocking to the city at the rate of about 500,000 a year, seeking employment they can no longer find in the country. While at one time the cities, expanding their industrial capacity, were eager to accept recruits to the labor supply, now we find that the labor supply is a glut on the market. We find that the lure of

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industrial progress has brought about a tremendous dislocation of the population in the sense that the great industrial centers of the country can no longer properly serve the people who comprise the work force reservoir of the cities.

We have therefore a curious paradox. We are paying with a higher rural unemployment rate for the progress in American ingenuity and technology that has resulted in increased productivity both on the farm and in the factory. This hall is evidence of that productivity.

Thus the need for a smaller labor force on the farm has prompted the migration to the cities of farm-born, reared, and trained people. Then when they do get to the city, they find jobs not available to them because they lack the skills that increasing automation and mechanization demand in the factories of the city.

This gratuitous contribution of manpower is something that Rural America can ill afford to make. The migrants are mostly in their teens and early twenties, at the very beginning of their productive years. Their flight to the city deprives the rural area of realizing the heavy investment it has made in their upbringing and education. Moreover, their arrival in the city, seeking fortune, but not equipped for the quest, imposes upon the city burdens in addition to the obligations it has toward the people who are already in and of the city.

Briefly then, we have on the one hand a depopulation of the countryside--because of lack of employment opportunity due to the ever-

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increasing productivity of agriculture--and with the depopulation comes a lessening of the services and values that a rural milieu will provide. On the other hand, we are faced with an over-population of ill-planned, unplanned and misplanned cities with little or no opportunity for real and permanent cures of its woes.

What is the answer?

The real solution, I am convinced, is to bring about a readjustment of the capital assets of our country so as to result in a sensible and viable rural-urban balance.

How do we do this?

It is not easy.

There is little doubt that the people will go where the jobs are. The answer then, admittedly oversimplified, is to put the jobs in the country.

We are accustomed in our thinking and in our practice to establish manufacturing plants within or upon the periphery of our cities. Ample and trained labor supply, good transportation, adequate or nearly adequate social services, educational systems, cultural values, all of these are factors that induce industrialists to locate factories in already overcrowded areas.

But suppose we had all those things in the countryside. Suppose in addition to the magnets cited above we also had air that was

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being used for the first time, a quiet that was intruded upon only by the melodies of the countryside, room to move around in, and an opportunity to do some twilight or weekend farming. Add to this, lower initial land costs, lower utility costs and transportation facilities not likely to jam and delay delivery schedules.

Then would not the migration from the country to the city cease?

Then would not the country folk stay in the country and raise their families in peace and dignity, knowing they were not depriving their children of the good things our country offers them?

Then would they feel they were at a disadvantage because they had not gone to the city to seek their fortune?

The answers are clear.

But all of this takes time. Many of our cities are doing what they can to ease the burdens of worsening transportation systems, air pollution, proliferation of ghettos, and most of all the deepening sense of despair on the part of their citizens.

They cannot do it alone. They need help.

They -- and we -- need Communities of Tomorrow.

They -- and we -- need clusters throughout the countryside of communities of from fifty to two hundred and fifty thousand people,

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each with several small industries, each with its own educational system, retail facilities, social and cultural features.

Some of this is already taking place.

But not enough. We need more people of vision and adventure, more people who have an unshakeable commitment to fulfilling the promise of the future, so that one day our descendants will know the dignity and peace that is every man's birthright.

To that goal, this hall is a proper guidepost.

Thank you.

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2 I am extremely happy to be here at this 49th annual convention of the National Association of State Departments of Agriculture, and doubly glad because later this afternoon we'll engage in a give-and-take discussion of some of the nuts-and-bolts problems in our Federal-State programs.

My remarks will be brief, so that you, Barney Allen and I can reserve a maximum amount of time for the discussion.

But I would be remiss if I did not share with you one of my overriding concerns today, for believe me, it also concerns you very deeply.

I suppose most of you sat glued before your television sets this summer, as I did, watching the Nation's agony, as crowds in 42 American cities rioted; as 78 people died, and as half a billion dollars of property went up in flame.

We all saw the eruption of angry boils from a virus that has been festering in the urban veins for more than a generation.

But some of you, I hope, reflected that boils don't just happen. They have a cause, and where there is a cause, there is a cure -- or if there isn't, enough time, effort and money can find one.

I've been talking up this point for seven years now, and until recently, no one much has been listening. But now some people are, and I'm glad they are, for reasons far beyond any of personal or Departmental

Remarks by Secretary of Agriculture Orville L. Freeman at the 49th annual convention of the National Association of State Departments of Agriculture; Tuesday, October 3, 1967, Noon, (EDT), Atlanta, Georgia.

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identification with these ideas.

For a long time now, we've known the technological revolution in agriculture was here to stay. In just the past six years -- a very brief period indeed -- we've cut the amount of labor needed to produce a given unit of crops from four to three hours. In the same period, to cite just one example, mechanization has resulted in a 10-fold decrease in the number of man hours needed at harvest time in the Mississippi Delta.

And anyone who cared to look at a census report knows where these displaced persons -- and others, the young, the bright, the talented -- were going: To the cities, 20 million of them in the past two decades alone.

The result has been this: Here in America, the land of the wide open spaces, and the endless frontier, and the 160-acre homestead, we find ourselves in 1967 with 70 percent of our people -- 140 million warm, breathing human beings -- jammed into 1 percent of the $3\frac{1}{2}$ million square miles in the 50 States.

In parts of our urban ghettos human beings are living 170,000 to the square mile ... packed in concrete cliff dwellings without sunlight ... without open space ... without a trace of trees and ... most damaging of all, without hope.

If this city we're meeting in today were populated at this density, it could hold every human being in Georgia, California -- our largest State -- and Idaho within the city limits of Atlanta.

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This is what I've been talking about for seven years now. Some have called me a King Canute -- trying to hold back human tide ... others have called me a latter-day Thoreau, refusing to accept the realities of 20th Century urban living.

Neither is true.

What I want, and what I hope you want, is a rational rural-urban balance in this country, a policy to put wheels under rural development, the only rational alternative we've got to the mindless, irrational sprawl of megalopolis.

For if we don't have such a policy -- if we don't hammer it out and put wheels under it very soon, in another 32 years another 80 million Americans will have crowded into existing cities which can't meet -- although they have tried valiantly -- the problems of the 140 million people already living there.

Such a policy is being hammered out now, and I want you to be a part of it. Two weeks ago Mrs. Freeman and I were privileged to accompany the First Lady on a tour of rural America to look at some of the projects that are making a revitalized rural America a reality. Last week, at the request of Vice President Humphrey, who is deeply interested in the subject, several other Cabinet members and I met in an all-day session to discuss the problems, research needs and prospects of such a policy.

This fall, on December 10, six of these Cabinet officers -- Secretaries Trowbridge of Commerce, Wirtz of Labor, Gardner of HEW, Weaver

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of HUD, Boyd of Transportation and I -- will sponsor a world symposium in Washington which will bring together the best minds we have to discuss this subject.

I urge you to attend, for I can't think of another group better qualified to bring expertise to bear on the problems of rural America.

I emphasize this invitation for this reason: I have been in Government long enough -- in the City of Minneapolis; as a Governor for six years; as Secretary of Agriculture for seven ... and for the past two years as a member of the President's Advisory Commission on Intergovernmental Relations -- to know that no one level of our many-layered Federal system has all the answers to this problem.

I have believed this for a long time, and five recent rural development tours, in which I spent a total of 14 long days listening to local people and their problems, have reinforced this belief.

One of the people I talked to on these tours, George McLean, editor of the Tupelo Journal and a leader in that community's crusade for rural-urban balance, summed it up this way:

"Too often we stress agencies, plans, projects -- and neglect the fundamental, which is action at the grass-root level.

"Unless you have local people who see the local need and who are willing to sacrifice time, money and effort for the good of their own community, you are not going to achieve very much."

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I would suggest that without your help, without the help of all levels of government, state, federal, county, we'll have very little chance of providing the jobs, community facilities, educational plants and economic structure to make rural-urban balance a reality.

Because I believe this I am here today.

Because I believe that we can never hope to solve the problems of our cities in the cities alone, I am an advocate of rural development, by all means we have, and as soon as possible.

And because I believe that the very fabric of the Nation will rend, tear apart and dissolve into tatters if we do not meet our problems, I am asking for your help and support in making a policy of rural-urban balance a reality.

I know that you have questions on matters of immediate concern to you and your states. I shall do my very best to answer them.

Thank you.

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To the Honorable
Committee on Education
U. S. House of Representatives

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Cooperatives -- a Technique for Our Time

I am very happy to welcome you to the opening of Co-op Month, 1967.

This month-long celebration, which begins in Washington today, marks the fourth year of Federal government participation in an event that began in 1929.

It all started with a co-op in Waukegan, Illinois, that included both small town consumers and dairy farmers. The dairymen wanted a better price; the consumers wanted safe, sanitary milk delivered to their door at a reasonable price. So they organized -- and, sure enough, the farmers got a better price, the consumers paid a little less, and at the end of the year they divided the money left over -- half to the dairymen, half to the consumers.

The co-op grew, adding food stores, a bakery and a service station to its pasteurizing plant. The people of Waukegan were so proud of what they had done that in 1929 their mayor issued the first known co-op week proclamation.

Soon there were celebrations in Kansas, Massachusetts, Iowa, California, and Wisconsin. I joined in, proclaiming October as Co-op Month, during my years as Governor of Minnesota.

In 1964, a fellow Minnesotan and State Department official suggested to me that the Department of Agriculture should bring the Federal Government into this popular Co-op Month observance, and I was glad to oblige.

Address by Secretary of Agriculture Orville L. Freeman at ceremonies opening Co-op Month, October 4, 1967, 11:30 a.m., EDT, Interdepartmental Auditorium, 13th at Constitution, Washington, D. C.

The man with the idea was George Jacobson, cooperative specialist for the Agency for International Development, who is with me today, and whose idea launched Co-op Month as a truly national celebration.

The Department of Agriculture was happy to supply the initiative, but we soon learned that Co-op Month was too big for any one Department.

USDA, of course, is concerned with farmers' marketing and purchasing co-ops; with rural electric and telephone co-ops; irrigation and soil conservation districts, grazing associations, and with hundreds of other rural cooperatives of every description.

Yet the Department of Health, Education, and Welfare is concerned with credit unions and group health plans; Interior with cooperatives the Indians and the Eskimos have organized; Housing and Urban Development with housing cooperatives. Overseas, the Department of State helps organize cooperatives in the developing nations and here at home, the Office of Economic Opportunity finds cooperatives help low-income families.

And so Co-op Month, 1967 is truly an ecumenical movement under the sponsorship of 11 Federal Departments and independent agencies; 9 national organizations of cooperatives, and the United Nations Food and Agriculture Organization. I am honored to have been chosen as their spokesman on this occasion.

Today, in an era seemingly beset by two problems for every solution, we are witnessing a re-awakened interest in an age-old problem-solving technique -- economic cooperation.

In the midst of their difficulties, more and more people are turning to co-ops for answers. A few of them, of course, will turn in vain, for no co-op can

be shipped to them, ready for instant assembling on the living room floor. This is not the nature of a cooperative. A cooperative can be put together only by the people who use it -- piece-by-piece, slowly, laboriously, a step at a time. As a social instrument, therefore, it hasn't much appeal for those who look for overnight solutions to age-old problems. Yet for those who take the longer view, the co-op offers amazing advantages.

Let me tell you about some of the people who have begun using cooperatives skillfully to overcome their difficulties:

In Alabama, 150 rural women have organized the "Freedom Quilting Bee" to cooperatively market their products. Last year -- their first -- they made and sold a thousand quilts, and received a net return of \$8.20 a quilt from their co-op.

They didn't earn top industrial wages as they sewed these pieces of cloth together in their own homes or in church basements. But each lady averaged \$547 in extra income last year, a welcome addition to any poor family for work at home.

You can see some of these quilts at an exhibit opening tomorrow in the Smithsonian's Arts and Industries Building.

You can also see products from Mississippi's "Poor People's Corporation," which has organized 15 small, cooperatively owned enterprises composed of 200 rural people. These people sew garments, make rag dolls, work leather and wood, and sell their products in Jackson, Detroit, and New York City. Last spring the co-op's Directors used part of their earnings to have eye examinations for all the co-op's 200 member-workers, and to buy glasses for those who needed them.

In North Carolina, a thousand Macon County farmers whose incomes averaged \$1,000 a year as recently as 1964 are winding up their third year of

marketing tomatoes cooperatively. Instead of \$2 or \$3 a bushel, they're now getting \$6 a bushel. The average co-op member's net income has more than doubled. Proper grading and packing has opened markets all over the United States and Canada.

Here in Washington, residents of five poor neighborhoods have organized cooperative neighborhood credit unions to avoid exorbitant interest rates and loan sharks.

One woman obligated herself to pay \$16.67 a month for a gas stove -- more than 10 percent of her total monthly income, and couldn't keep up the payments. Luckily she heard about the credit union, whose treasurer found she was paying 35 percent interest -- three times the credit union's rate.

She borrowed enough to pay off the loan, is paying \$8 a month to the credit union and she has cut her interest charges by two-thirds. But perhaps more important, she's getting an adult course in consumer economics, thanks to her cooperative.

In many another urban slum, poor people are taking their first steps toward financial responsibility through credit unions. They find -- as many millions of Americans before them found -- that within any sizeable group of persons, however poor, are enough savings to meet members' emergency credit needs as they arise, if they organize.

Farmers discovered this simple truth many years ago.

Through co-ops, they're bargaining for better prices with firms that process their products, and even processing, packaging and merchandising their products for the consumer themselves. Through still other co-ops they're reducing the costs of fertilizer, petroleum products, feed, credit, electricity, and other services that make up their production costs.

I was impressed with what a Delta farmer said just last month when he received the one-hundred-millionth dollar that Mississippi Chemical Corporation has refunded to farmers who bought fertilizer from that co-op. "Without doubt," he said, "my investment in the co-ops is the best investment of any kind I ever made."

In the Southwest, where a cotton co-op pays its members the market price when they bring their crop in from the field, the co-op two months ago mailed these members an additional \$7½ million in dividends, raising the co-op's payment for cotton \$6 a bale above the average ginyard price in the region.

A group of 1,100 California growers believe they have increased the prices they've received for their products by 15 percent, as the result of organizing a co-op to can their fruits and vegetables. And, incidentally, they are holding a price umbrella for other growers who are not members of the co-op.

When we realize how much just this one cooperative has contributed to farm income, it is small wonder that for 45 years Congress has encouraged co-op growth and development as a matter of national policy.

Three-quarter million Midwest farmers are building a 5-million bushel, \$20 million grain elevator and ship terminal near the port of New Orleans because by exporting -- instead of hiring someone to export their grain for them -- they expect to increase their net incomes substantially.

And so cooperatives come in all shapes and sizes, from a neighborhood credit union to a terminal elevator complex that will ship Midwestern grain halfway round the world. The people who organized them didn't consciously set out to change the world, but change it they did, nevertheless. And they're still at it.

I am encouraged, for instance, that cooperatives are taking the lead in attacking one of the most serious domestic problems we have ever faced, that of a growing population imbalance between city and country.

It took from 1776 to 1917 -- 141 years -- for the United States to become an "urban nation" -- to reach the point when at least half our population lived in urban areas.

In the next 50 years -- through today -- we became 70 percent urban and only 30 percent rural. Today, 140 million Americans live on just over one percent of the land area of the 50 States. In another 30 years, many estimate, another 80 million new Americans will crowd into existing cities, further exacerbating the environmental, social and economic problems that have already reached the flash point in a score of big cities during the past long, hot, summer.

Here again, however, cooperatives are acting -- in ways big and small -- to stem the one-way migration from rural to urban America.

At one end of the scale, 120 low-income farmers in eastern Ohio were about ready to pull stakes and head for Cleveland, Pittsburgh, Cincinnati, or Chicago. They didn't want to, and their skills would barely furnish a meagre living in the big cities. But they couldn't make it on their overgrown, brush-covered hillsides -- not with livestock, not with dairy cattle, certainly not with crops.

They had an idea, though, and they decided to stick. The idea was to rehabilitate their pastures. They organized a co-op to buy the heavy machinery to do the job, two bulldozers, a heavy disk, and a seeding drill.

They cleared the brush, seeded the land. Now, instead of pasturing one animal on six acres, they pasture six animals on the same six acres.

Here were 120 families who were poor, defeated, about to abandon their land -- worth only \$10 an acre -- and march off to the cities. Today these 120 families are hopeful that they have turned the corner, that they are on their way to an adequate livelihood and a satisfying, rewarding life in rural America. An idea -- and a co-op to put that idea into practice -- has made all the difference.

We hope much the same thing is happening in southwest Alabama. There, cotton once was king. Today cotton is moving out so fast that where 20 field-hands were needed to harvest the crop 10 years ago, only one is needed in 1967. What are the people who used to pick the cotton to do? Can they find economic salvation in Birmingham, Memphis, or Chicago? They doubt it -- and so do I.

Eight hundred families have decided to stick, and they've switched to raising cucumbers, peas, and okra. They've organized a co-op to market these products, and this first season they've already sold more than a million pounds of these vegetables to processors and on the fresh market.

Success is not yet within their grasp. But the tool they're using to reach for success is the best available, the cooperative.

Many Great Plains farmers were as poor 30 years ago as these southwest Alabama farmers are now. They also reached for success through a grain co-op, or a production credit association, or some co-op that Farm Security Administration organized -- just as these southwest Alabama farmers are reaching for success today. They used the same technique -- the cooperative.

Co-ops are opening jobs in rural America. A second quarter survey shows that farmers marketing and purchasing co-ops in those three months of 1967 invested \$95 million in new facilities outside metropolitan areas -- nearly three times as much as they invested within those metropolitan areas.

Just last week four co-ops with headquarters in the cities of Nashville, Richmond, Raleigh, and Atlanta announced they would build a \$32-million factory. Where? Near one of those cities? No. They will build it on the rural coastal plain of North Carolina.

This is a big operation but, as I said before, co-ops come in all sizes -- so I'm also mindful of the town of Eagle Grove, Iowa, population 4,500, where four co-ops have 200 full-time workers and a million-dollar-a-year payroll, but are also providing decent jobs in rural America.

Only with adequate services can we create opportunities in rural America. We need abundant, low-cost electric power -- and we're using cooperatives to get it. We need dependable telephone services -- and there too, we use cooperatives. We need water systems and sewage disposal systems -- and both are available through cooperatives and public districts.

We will use co-ops to develop these public services, to open up resources, and to build the factories that provide the jobs so desperately needed if we are to maintain and improve opportunities for all Americans to find satisfying productive lives outside -- as well as inside -- our great cities.

Co-op Month, 1967 is a great occasion. It marks not simply another annual ring in the growth and successful development of the tree of cooperation.

It represents a high-water-mark in the tide of enthusiasm for the technique of cooperation.

For the nation's people, now again in a problem-solving mood, are realizing that cooperatives can be very useful in overcoming some of our greatest difficulties; poverty, the need for higher farm income, rural-urban equilibrium. Scratch any of these problems, and again and again cooperatives show up with some of the answers. In short, in the words of President Johnson's co-op month statement, "Cooperatives are testimony that every man and woman can nourish our growth, can increase our wealth, can strengthen our freedoms, and can enrich the quality of the life and the opportunity we share."

My fellow cooperators, thank you.

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2 U.S. DEPARTMENT OF AGRICULTURE
Office of the Secretary

You may recall that President Johnson told the Congress last January that "Next to the pursuit of peace, the really greatest challenge to the human family is the race between food supply and population increase."

This was a reaffirmation of his Food for Freedom message to the Congress a year earlier. The message was a ringing call to action in which he proposed a program that challenged this Nation and other Nations to mobilize for total victory over hunger and malnutrition across the face of the earth.

That message resulted in the passage of the Food for Freedom bill in 1966, a measure that I consider the most important tool in the war on hunger that has ever been devised, for this simple reason: It shifts the main thrust of the battle from the fields of mid-America to those of the hungry nations themselves.

It recognizes self-help as the only way, in the long run, that the hungry, the undernourished and the malnourished of underdeveloped countries will ever get enough to eat, and at the same time it provides the tools to improve nutrition, use food as a development instrument and prevent starvation.

Address by Secretary of Agriculture Orville L. Freeman at the Food Chain Conference, New York, New York, October 9, 1967, at 9:45 a.m. EDT.

It was supported vigorously by both Houses of Congress, and on both sides of the aisle. It received widespread public support and acclaim, in the United States and throughout the world.

But it was new; it represented change; it was a departure from the food aid philosophy that said, in effect, "Here's your bag of rice or sack of wheat; now run along, have a good time and don't bother me until you're hungry again."

And because it was new it has brought, from time to time, emotional outcries that run the gamut from the doom-sayers, who predict that half the world will starve to death by 1975 anyway, so why try, to the breast beaters, who use any occasion and any platform to excoriate the lack of charity and the absence of mercy in a program that limits, on occasion, the volume of food aid while there is hunger in the world.

We have seen them blowing hot and cold, offering great claims and making great commitments; saying that we no longer care, that we are playing politics with misery -- global cheerleaders, raising empty voices about a game they do not understand.

I have this message for the doom-sayers: This Administration, this government, and -- I am confident -- this American people, with the help of the rest of the world, will win the war on hunger, and we will win it in this generation.

(more)

And I have this message for the breast beaters: You do not wipe out hunger with sentiment and emotion alone.

It is true that the developed nations have the capacity to feed Asia, Africa and Latin America today -- and at least until 1980. But what happens after that?

We face a feedability gap in more than half the world that we have been unable to close. If it is not closed by the less developed countries themselves, the world will literally run out of food before the year 2000.

That is the world food problem: To close the gap -- and it will take a massive, imaginative, long range effort unprecedented in human history to do it. In the last analysis it can only be done by the less developed countries themselves. The job of the rest of the world is to help them to help themselves.

This is not a job for the faint-hearted; it is not a job for impatient philanthropists, eager to make their mark -- to move in with banners flying, trying in two years to change a culture that was 2,000 years in the making.

The defeat of hunger will be a long, tedious, unglamorous, and largely thankless job. It requires moral courage, political courage, imagination, energy, determination. It is a job to which President Johnson and this government are unequivocally committed.

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We have, in the past year-and-a-half, made great progress in the never ending task of defining the problem country by country. We are now directing ourselves to continued responsibility and steady progress toward a blessing that historical man has never known -- freedom from hunger.

So there will be no doubt here, or abroad, about our purpose or our determination, in order to clear what seems to have become foggy air about the self-help thrust of our battle plan in this war, let me restate a few fundamental facts.

First, this nation's humanitarian commitment to the relief of suffering and hunger in other parts of the world is not new. Since long before World War II, we have taken the lead in sending food when we could and where we could to hungry people all over the world.

Since 1954, 150 million tons of American food -- at a cost of more than 20 billion dollars -- have been used to feed the hungry in more than 100 countries around the world.

And that brings us to Fact Number Two. It is an ironic fact, and one that has profound implications for the war on hunger. It is this. Despite the expenditure of billions of dollars on foreign aid, despite donations and concessional sales of millions of tons of food, despite outpourings of technical help from government and from private foundations, despite the efforts of dedicated volunteer groups and of national and international organizations, there are more hungry mouths in the world today than ever before.

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A review of the history of food aid shows that in 1959-61, the hungry nations imported 20.7 million metric tons of grain yearly. Two-thirds of this was on commercial terms, one third on concessional terms.

But in the year 1964-65, half a decade later, these same countries imported 29 million metric tons -- more than half of which was imported on concessional terms, under Public Law 480.

Clearly, we had been feeding hungry people. But just as clearly we had not been helping them to feed themselves, and it was crystal clear that we were not solving the food problem in a hungry world.

We needed a new direction. Pure humanitarianism was failing. The situation called for charity tempered with logic, and mercy fortified with wisdom. It called for full recognition of the urgency of the need and a serious assessment of the massive, intensive, imaginative effort required for a solution.

All of our assessments, all of our projections and all the meaningful studies on the subject pointed to one direction: Self-help as the crucial factor to a permanent solution to the hunger problem.

This must be manifested on two fronts: The rate of growth in food production in the developing countries must be altered upward, and the population growth must be altered downward.

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It is, of course, axiomatic that population growth and food supply are two sides of the same problem. The choice is not to solve the food problem or the population problem. Both must be solved. One solution is not the alternative to the other.

Let me mention here two aspects of population growth that are not generally recognized in their relation to the world food problem.

The first is an apparent paradox that was emphasized by the Panel on The World Food Problem of the President's Science Advisory Committee. The committee report, published last June, cites statistical evidence that a reduction in child mortality rates will reduce, rather than increase population growth.

This appears to be so despite the fact that the current population explosion can be attributed to the sharpest reduction in death rates in history.

The reasons for this seeming contradiction are complex.

Here is what the President's Committee says: "The direct constraints on population growth appear to be social ones, not as Malthus first thought, starvation and disease. Birth rates in industrialized nations began to fall below the levels in primarily agricultural nations about 100 years ago."

The Committee notes that the importance of male heirs, an important factor in the culture of most underdeveloped countries, leads to large families.

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"Only one son may be needed for ritual or economic purposes," the Committee says, "but it is common to desire at least two for insurance against the death or incapacity of one ... Availability of birth control means is largely irrelevant until the desired number of living children is secured ... Thus low infant and child mortality, and public awareness that mortality is low, seems to be one of the necessary conditions for an effective social policy for reducing fertility."

What the Committee report is saying, basically, is that until the infant and child mortality rate in the underdeveloped nations drops to near that of the developed nations we can expect little reduction in the rate of population increase.

The implications of this phenomenon in the battle against hunger could be the subject of an entire speech, but I will mention just one facet, which I think illustrates the complexity of the problem we face in trying to help the underdeveloped nations to help themselves.

It is the rather innocuous-sounding statement that in the developed countries, with their low birth rates, there are between two and three adults for every child under 15, while in the less developed countries the number of adults is about equal to the number of children.

But that equal ratio of old and young is one more shackle on nations struggling to grow or buy more food.

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For the children are nonproducers, dependent on their elders, many of them sickly, in need of schooling, drawing proportionately more from the meager resources of a crippled economy than the economy can afford. It means that even a relatively high rate of economic growth brings little gain in per capita income and in the ability to save for capital investment.

The plain, vicious fact is that too many children inhibit the industrial and agricultural growth essential to sustain and keep alive these same children, thereby eliminating the parents' psychological drive for larger families.

There is, of course, the possibility of altering the social structure, of trying to remove the parents' compulsion for survivor insurance, and the governments of developing countries are now endorsing population control policies at a rate and in a climate of world approval that was not imaginable even a few years ago.

It is less than 10 years since India became the first nation in the world to adopt an official family planning policy. Among nations that have followed since are Pakistan, Mainland China, South Korea, Ceylon, Hong Kong, Singapore, Malaysia, Turkey, Egypt, Tunisia, Morocco, and Honduras.

All of the most densely populated nations with high population growth rates have programs directed toward altering those rates downward. More and faster scientific progress is being made in this field than ever before.

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Many demographers are encouraged by these combined factors, but that brings up the second aspect of the population problem that bears directly on today's food supply.

This is the fact that, even if the hungry nations succeed in altering population growth rate trends, it will have little effect on food needs for the next few years.

So the strategy for victory in the war on hunger might be stated this way: Critical and urgent attention must be directed to the food supply for at least the next 15 or 20 years -- until the 1980's. Then, hopefully, progress in population control will begin to take real effect, and victory in this humanitarian struggle will be in sight.

Hard, tough, sustained effort on these two fronts can win the war on hunger in this generation.

Permit me to summarize:

We have defined the problems inherent in ending world hunger. We have learned how not to win the battle, and we have set the strategy for winning.

We are launched, but where do we go from here? Two recent studies published by the United States Government present facts and figures that emphasize the magnitude of the job and indicate how the battle must be joined and fought -- and fought for at least the next 20 years.

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They are independent studies, but both point in the same direction, and both confirm the soundness of the basic strategy of the Food for Freedom program enacted last year.

The first is the report of the President's Science Advisory Committee which I mentioned earlier. It makes recommendations for action by both the developed and the developing nations.

The second was issued in August by the Economic Research Service of the Department of Agriculture.

It makes no policy recommendations, but analyzes world grain trends, probabilities, and potential needs that are of primary importance to decisions regarding food aid, economic assistance, commercial export and domestic farm programs.

The PSAC report cites the world food problem as awesome, but indicates that it can be solved. The entire three volumes emphasize the concept of self-help, of internal production increase and distribution expertise as crucial to meeting the needs of the developing countries.

It concludes that "gigantic efforts will be necessary in the developing countries to attain the desired food and income levels," and then it warns that "The developed world, in turn, will have to assist in the next 20 years with the provision of a high level of economic and food assistance and private capital, and, perhaps even more important, with the creation of an environment more favorable to the growth of developing countries' exports."

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It emphasizes that food aid should be "conditioned on implementation of self-help requirements" and that it should be "administered to provide maximum incentive to the developing countries to increase production by investing in their own agriculture."

It says this about the easy answer, the tempting answer, to the war on hunger, the answer that goes something like "grow more and give away more:"

While food aid will be needed for years to speed total economic growth, the report says, "expansion of concessional sales over an indefinite period is not in the best interest of either donor or recipient nations ... Recipient nations may use such imports as a crutch to avoid the consequences of unchecked population growth, an unproductive agriculture, and irresponsibility in accelerating domestic economic growth."

The report is an eloquent, persuasive appeal for more technical and capital help for poor nations, and for encouraging and facilitating their economic development.

The USDA report on the World Food Situation, considers prospects for grain production and use in the entire world, measuring world food needs and potential supplies in terms of grain.

It looks to 1970 and then considers prospects that would be likely to prevail up to 1980 under four different assumptions regarding rate of growth and development in hungry nations.

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The assumptions for the underdeveloped countries range from a continuation of historical trends in grain production improvement to a situation of such rapid improvement that output would reach a 4 percent per year growth rate by 1975.

The expected populations and the anticipated per capita consumption are cranked into the equation, in which a constant production projection, based on the world market price of grain the past three years, is used in all four assumptions for the developed countries.

The study points out that, under any of the assumptions, the world as a whole in 1980 will have a capacity to produce more than enough grain to meet the worldwide demand for food.

This statement is of the utmost significance for the war on hunger. It is also a statement which has been misconstrued by many persons, including a number of newspaper headline writers, to mean that the war on hunger is not as crucial as had been claimed. Some even misconstrued the statement to mean that the war on hunger had been won.

This is not the case. On the contrary, this statement indicates the magnitude of the task. If it said that production is enough, our troubles might be over. Instead, what it actually says is that, as a world, we can produce enough food, but that doesn't mean we have gotten it to the one billion or more hungry stomachs that need it.

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It says that the problem of hunger in the world cannot be separated from the economic gap between the 900 million inhabitants of the rich nations of the world and the 2½ billion who live in the poor nations.

It says we can't win the war on hunger on the fertile fields of mid-America, but that these fields can contribute by buying time while we mobilize and march on the broad front of the less developed countries themselves, which is where this war must be won.

It says, and I quote from the study: "The world food problem is basically one of disparity of food production and food availability between the developing and developed nations. It is inseparable from the development gap between rich and poor nations."

And there is our task: To alter cultures and social structures thousands of years in the making; to circumvent religious beliefs of millenia and social customs that have more force than law; to put blood, and protein and calories into economic systems that today are not able to sustain full life for 2½ billion people.

And to do it in 20 years.

And that is the only way to do it -- to help these countries lift themselves to where they can either buy or grow the food they need and get it into the stomachs of their people.

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And when we talk of getting it into hungry stomachs, we are playing in your ballpark -- distribution.

Ten mountains of food are no good if you can't move them to hungry people, And a sack of grain is of no value molding in a warehouse.

Many, perhaps all, of you are familiar with the chaotic, wasteful distribution systems that prevail in the underdeveloped nations -- the lack of proper handling, storage, and transportation that may rob a nation of up to 50 percent of its own food, food that it can ill-afford to lose.

And you are aware of the low efficiency, high cost little shops, the on-foot peddlers and push carts from which most people must buy their food.

The spread between consumers and producers is wide. Middlemen abound. Products may cost five or six times as much in the city markets as the producer received for the product.

The President's Committee said this inability to store, process and distribute foods "is as serious a problem in the developing countries as their inability to produce the kinds and amounts of food needed for their hungry and expanding populations."

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This is the challenge of the war on hunger to the International Food Chain Conference: To bring your marketing technique, your competitive bent, your passion for efficiency to bear on the problem of getting food to hungry people in the cities of the developing nations.

It isn't easy, and it won't be easy.

Some of you may be involved in such an overseas venture. If you are, you are discovering problems that you never dreamed existed.

You may have had a minority partner complain that the company is filing accurate tax returns which are costly, and therefore injurious to shareholders.

Or you may have completed your new building and discovered that there will be a 3-year wait for a telephone -- any telephone.

And you may have found out that in a foreign culture "yes" can mean "no," or that the local manager fired the work force one day, thus providing them with termination pay, and then rehired them the next day.

You have discovered, as did Donald E. Meads, president of the International Basic Economy Corporation, that operating on unmapped, foreign ground often does not pose "problems to be solved" so much as "mysteries to be lived."

But IBEC, which manages 47 supermarkets in South America; and others, including the Carulla chain in Colombia and the Casa de Bana chain in Brazil, have discovered that supermarkets in developing countries can make a profit.

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They are finding, also, that supermarkets, providing as they do an assured mass market for foodstuffs, stimulate local food production and processing.

When IBEC opened its first market in Venezuela in 1949, 80 percent of a long list of foods had to be imported. Today nearly all are produced in Venezuela.

And they are finding that the supermarket, long the store of the middle and upper class in developing countries, can reach lower income groups.

I am told that the Casa de Bana chain, for example, has had outstanding success in Sao Paulo, Brazil, as a limited line operation with extremely low prices and a fast turn -- and, most important, it has had a substantial impact on the cost of living to poorer people.

We need more IBECs and more Carullas and more Casa de Banas if we are going to win this war on hunger. We must do more than make two blades of grass grow where one grew before. We must get the fruits of those blades to the people who need them.

Here you of the International Food Chain Conference can make an enormous contribution. It won't be easy. You might be able to make more money with less risk elsewhere. But I guarantee you this: You won't get the same satisfaction that comes from service to your fellow human beings, and from making a major contribution to a peaceful world.

(more)

So I hope you will all consider most seriously joining up in the war on hunger. Please try -- try hard to go into business in one or more of the less developed countries who so desperately need help in distributing food to their people.

We need the government of every developed nation in this war on hunger; we need the commitment of the people of every developed nation; we need their brains, their imagination, their money.

And we need them for a long time, a difficult time.

I am reminded of the fledgling writer who asked a veteran author to suggest a title for a novel the young man had just finished.

"Are there any trumpets in it?" the veteran asked.

"No."

"Any drums?"

"No."

"Well, then, call it 'No Trumpets, No Drums.'"

There are no trumpets and no drums in this war on hunger.

There are no push-button solutions. There will be no spectacular blast-offs and no one will orbit the moon.

There will be continued responsibility, and, I am confident, steady progress.

Let them keep the moon. We will feed people.

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U. S. Department of Agriculture
Office of the Secretary

Mrs. Shepard and gentlemen, it is good to have you with us here again.

If you will bear with me a moment, I would first like to read you excerpts from three highly significant articles, each of which appeared independently in different publications, at different times; and then, very briefly, to sum up what I think their import is to us as conservationists:

The first appeared in the New York Times, shortly after the Newark riots of last summer and commented on the condition of ghetto residents in New York City:

"Any man," the Times says, "condemned to spend his days and nights without end on East 103rd Street (in one of the worst sections of Harlem) would be likely to 'blow his cool' sooner or later, or give up ... Slum dwellers are in revolt at least in part because the cities in which they are condemned to live have become unlivable -- concrete, brick, and neon monstrosities unfit for human habitation."

"It is not enough," the editorial continues, "to patch up old dwellings or build new ones in the deteriorated city. It will be necessary to reshape the total urban environment to make the cities liveable for all who work and dwell there. This means restoring the purity of

Remarks by Secretary of Agriculture Orville L. Freeman to the Public Advisory Committee on Soil and Water Conservation, USDA, Washington, D. C. 9:30 AM, EDT, Wednesday, October 11, 1967.

air and water, reducing noise, relieving congestion, creating more parks and recreation areas, improving transportation, enriching the artistic and cultural milieu."

This from what many consider to be the most respected editorial voice in the Nation's largest city.

The second editorial appeared later in the Washington Post, the largest newspaper of the Nation's 10th biggest, and fastest-growing large metropolitan area. I'd like to quote it at some length, since its subject is a new concept to most of us; a report on anthropologist Edward T. Hall's work on "the human space bubble." This the anthropologist defines as "a sacred bit of space, a bit of mobile territoriality which only a few other organisms are allowed to penetrate, and then for only short periods of time." Of this, the Post says:

"What Mr. Hall has done is to relate (stress produced by overcrowding) in a very pointed way to human beings ... If the human space bubble is repeatedly subjected to battering by outside forces such as overcrowded housing or freeways, the occupant may be thrown into aggressive relationships with those he finds around him, for, according to Mr. Hall:

'If man's space bubble is crushed, or dented, or pushed out of shape, he suffers virtually as much damage as though his body were crushed, or dented, or pushed out of shape. The only difference is that the effects take longer to make themselves evident.'

"The fact is," the editorial continues, "we have been madly building cities in recent decades with virtually no thought of man's vital need for living space.

"It should now be apparent that this need is no less acute than the requirements of food, shelter and transportation ...

"The 'space bubble' is not merely a frill or amenity. Nor is its importance primarily aesthetic. It ... is directly related to the survival of our civilization," the editorial concludes.

And finally, two short thoughts from the Journal of the American Institute of Planners, one from a Cabinet colleague, the second from an opinion pollster.

Here's what Willard Wirtz, Secretary of Labor, had to say:

"What we are really doing now is flying the most powerful economic engine in history -- and I mean to include all our scientific and technological developments -- and we are flying it by the seat of our pants. We're flying by luck, by instinct, with almost no instruments at all in the cockpit. I'm not sure that on this basis we are going to be able to keep up, flying this blind, with the amount of technological development being brought about."

And finally, a word from George Gallup, the pollster:

"What has never been fully understood is that a new type of collective action is required to move society forward on many fronts. It is not enough to put thousands and thousands of people to work nibbling

away at the far edges of our great problems. Not only is a special type of action necessary, but it must be employed under conditions that maximize the opportunity for applying brain power, and minimize the chance for individual prejudice and self-interest to interfere."

By implication at least, I promised you a moral from these three widely disparate quotations. Perhaps as good a way as any of expressing it is to recall what John Glenn said when a reporter asked him how it felt to take the first manned space flight:

"Well," Colonel Glenn replied, "in those final minutes, when the liquid oxygen is smoking ... and the gantry falls away ... and I hear the flight control officer counting ... 4 ... 3 ... 2 ... 1 ... I think to myself what a marvelous bird this space vehicle is ... literally millions of separate parts ... valves, pipes, wiring, combustion chambers ... and every one of them supplied by the low bidder!"

Colonel Glenn, of course, was kidding. The vehicle he rode was the culmination of literally millions of man-hours of planning, the result of an advanced aero-space technology that has surpassed in fact a generation of science fiction ... the result of billions of dollars of national treasure.

Every piece in that rocket had to perform perfectly the first time. Like a parachute jump, there is no "second time" if it doesn't. It was produced by hundreds of thousands of brains, all perfectly meshed and pointing toward a single target, a technology that will take us to the moon in the nineteen seventies, to the planets in another generation; someday, even to the stars.

And so John Glenn was kidding -- but up until now, we as a society have been dead-serious in the belief that random conduct of our affairs -- a system which has worked fairly well in the past -- will produce desired results into the indefinite future.

It just won't happen.

Reshaping the total urban environment to make the cities liveable, as envisioned in the first piece I read you, can't possibly take place under laissez-faire demography if another 80 to 100 million people pour into the Nation's cities, and this is where they will pour in if present trends continue over the next three decades.

If they do, then man's "space bubble" -- mentioned in the second editorial I read you -- will become even more compressed, more battered out of shape -- for all our science, and all our technology, can't repeal the basic law of physics which states that two bodies cannot simultaneously occupy the same space.

In short, it isn't enough, as Mr. Wirtz said, to "fly by the seat of our pants," or to "nibble away at the far edges of great problems ..." as George Gallup put it.

We are, in fact, on the edge of one of those rare, turbulent division points in the affairs of man which decisively separate one era from another.

It is an uncomfortable period, full of uncertainty, full of gropings -- for it is difficult to part with the verities of the past

for the untested ideas of the future. But it is an exciting period, perhaps the most exciting, the most challenging, that mankind has yet experienced.

What we're doing, it seems to me, is no less than passing from an era in which quantity was all important -- when we asked only "how much?" or, "how many?" ... To an era in which quality is becoming all-important, where the question is, "how good?"

How good are the schools our children attend? How good is the environment we have to live in? -- Not, "how big is the city, and how fast is it growing?" But rather, "what kind of a life can my family and I expect in it?"

We're still asking the question -- an important one -- "What is man doing to the environment?" But now we're also asking a much more profound one, "What is the environment doing to the man?"

We're beginning to perceive, dimly, slowly, that a future in which man will prevail -- and not merely endure -- is made up of more than Buck Rogers' gadgets, more cars, bigger houses and larger cities, essentially more of what we have now: Its chief goal is rather an environment fit for man, a thing of quality, rather than quantity.

We're beginning to perceive that nibbling on the edge of this problem, fighting a rear-guard action against galloping suburbanism and creeping pollution, won't get us this kind of an environment.

We're beginning to marshal the institutions and public opinion

necessary to apply the same systems approach to the environment that we have already applied to the moon rocket. We can see it taking shape in the Resource and Conservation Development Project ... the river-basin and air shed approach to pollution, in the great national debate now raging on rural/urban balance.

Just this June we saw a good example of this "systems" approach to the environment in the first national conference on "Soil, Water and Suburbia," here in Washington. Several regional conferences are now being planned by those in the States who see the need for a broad approach to land and water management for areas in transition from agriculture to urban use.

All are parts of the whole, as are your discussions the next few days on the tools of the conservationist's trade -- research, education, credit, technical assistance and community development.

As you begin these discussions, I hope you will examine our programs in the light of your own experience; that you will consider the areas in which we are weak or insufficiently structured; and that you will give us the benefit of bold and creative thinking on the subjects I have just discussed, and our own programs.

Your work is important for, in fact, you are the architects of the future that Rene Dubos envisioned when he wrote:

"Since man has much freedom in selecting and creating his environment, as well as his way of life, he can determine by such decisions what he and his descendants will become. In this light, man

can truly 'make himself' ---consciously and willfully. He has the privilege of responsible choice for his destiny, probably the noblest, and a unique, attribute to the human condition."

Thank you.

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Statement
of the Secretary of Agriculture Orville L. Freeman
before the
Senate Committee on Finance
Hearings on Import Quota Legislation
October 18, 1967

Mr. Chairman:

Thank you for the opportunity to talk with your Committee on this vital matter of foreign trade. I use the term "foreign trade" deliberately. We cannot talk about further restricting imports without talking about restricting exports. Moreover, we cannot talk about industrial trade and agricultural trade separately. In this context, they are not separable. What happens in one sector too often has a direct impact on the other.

From where I sit, I see this regularly. Just the other day we were reminded by another government that what the United States does on watch imports will have a direct impact on whether we will be able to export poultry parts. It gets that specific. And the United States does some reminding of this kind also, in its fight to keep U. S. exports high.

That's why I have always taken a keen interest in all our trade actions, across the board. That's why I'm alarmed at the quota proposals before us. We seem to be losing sight of the importance of our exports.

For seven years now, I've worked hard to expand our agricultural exports, and I've had the satisfaction of seeing them grow from \$4.5 billion in fiscal year 1960 -- the year before I took office -- to a new record of \$6.8 billion in the 1967 fiscal year that ended last June. Exports for dollars climbed from \$3.2 billion to \$5.4 billion in that period.

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These agricultural dollar export earnings are important:

-- to the country as a whole. Only a few months ago, when we were talking about the U. S. balance of payments, Secretary Fowler told me that we would long since have faced a national economic crisis of grave proportions -- that the value of the dollar would have been seriously undermined -- were it not for the substantial flow of dollars into our accounts from agricultural exports;

-- to industry and commerce. Without them, farmers would not have maintained industrial farm inputs at their high levels; transport, banking, insurance and port activities would have been at lower levels;

-- and to farmers most especially. Without these export dollars, farm income would have suffered severely.

The exports facts should by now be well known by all farmers. But let me repeat them.

Production of 1 out of every 4 cropland acres harvested is exported.

Exports provide employment for 1 out of every 8 farm workers; they account for 17 cents out of the farmer's market dollar.

Farm exports have been increasing at a rate substantially higher than domestic consumption of farm products. An increasing percentage of many farm products is being exported. For 5 major farm products, exports exceed 40 percent of the value of farm sales.

And when commercial farm exports for dollars are compared to farm imports, the farmer clearly comes out ahead. Out of our total agricultural exports, well over \$5 billion are commercial sales. These are dollars earned. Against this we have around \$2.5 billion of agricultural imports that are more or less directly competitive with our agriculture (meat,

wool, dairy products, sugar, and so on). We could say these are dollars spent. Thus, for every \$2.50 imported, we export \$5.00 commercially. We have a good business. And a lot to lose.

A continuing climb in U. S. exports is more important to American farmers than to any other major segment of our economy. If farmers support protectionism, they are making a serious mistake, because they are endangering their own export market.

These facts have been repeated over and over. Perhaps that is the trouble. Perhaps we've said them too often -- have talked ourselves into believing that ever-increasing exports will come to us as a matter of course.

Well -- they won't.

Exports haven't just grown. We have worked at it -- hard. We have invested money and time in market development, in product promotion, and in reducing foreign barriers to trade so that we can sell more. We continue to work hard on all fronts to export more and more. The level of effort on these fronts is -- up -- up and up.

We mustn't be fooled by the idea that countries buy from us, and will keep buying from us, simply because they need our products. That's bad reasoning. There are very few of our export products that other countries can't produce for themselves, or buy elsewhere, or do without if they really want to. We fight a daily battle against restrictionist forces in these countries all the time. Sometimes progress is slow, but we are making progress -- witness the steady climb in agricultural exports.

If other nations conclude that we are acting in an unreasonable and protectionist manner -- that we are shutting them out of our markets unfairly and without justification -- they are not only perfectly willing and capable

of shutting us out from theirs, they are likely to do so.

I've spoken at some length on the problem of exports and the need for expanding trade, because it is absolutely crucial for us in agriculture. We must never overlook the impact on exports when we consider imposing import controls.

Agriculture everywhere has special problems. Generally speaking, all over the world farm incomes are only half those in other sectors of the country's economy. To help meet such problems, virtually every government has stepped in with price and income and other support programs. These in turn can have severe repercussions on trade. To deal with these repercussions, the U. S. sometimes has to control imports.

But we should be certain before we act to put on controls:

- that there is a clear and present need for additional protection;
- that the protective instrument chosen fits the need;
- and that the dollars and cents cost of our action in lost exports will not be way out of proportion to the benefit it confers on some of our producers.

These are sensible, pragmatic tests.

Let me turn specifically to the question of the need for additional protection on dairy products. At the outset, it should be made clear that we have experienced unique circumstances in dairy as a result of the efforts of foreign countries to protect their dairy farmers' income.

The subject of dairy imports is of great concern to me. It is a part of the U. S. dairy income and price picture. No problem I have had as Secretary has been more difficult and more unyielding than that of trying to achieve a stable and healthy dairy economy. The dairy problem is also

intimately related to the Department's budget; in the cost of the dairy price support program and the operations of the Commodity Credit Corporation.

Dairy imports rose rapidly and very substantially, beginning in early 1966. We had become a target for countries whose dairy policies had resulted in surpluses. These were flooded into the U. S., circumventing our import control system.

As background to this problem, let me point out that because of systems of high dairy support prices, protected by strict import controls, production of dairy products in some foreign countries had increased to the point that heavy surpluses were a glut on their markets. Under such circumstances in the EEC, for example, an export program operates almost automatically to move these surpluses out of the EEC at distress prices. Because of this surplus world situation, increasing quantities of butter were entering the U. S. as a butterfat/sugar mixture in circumvention of then existing U. S. controls. This butterfat could not have gone to other potential markets such as Japan, or the U. K., or Canada. These all have tight controls on imports. It came to the U. S.

Because our domestic milk production was down, about a year passed before prices dropped and the CCC started to buy heavily.

As soon as it was clear that our inventory acquisitions and expenditures were going to continue to be sizeable, we moved to bring dairy imports under full control -- specifically, to halt evasions of the import quotas established under Section 22 of the Agricultural Adjustment Act, as amended.

In March, I recommended to the President that he initiate Section 22 action looking toward these objectives. In this move, we had the full support and leadership of President Johnson, who directed the Tariff Commission to

carry out the required investigation promptly and expeditiously -- which it did.

The result, to be brief, was to stop the flood of imports. Presidential Proclamation 3790, issued June 30, 1967, put import quotas on those items which had accounted for virtually all of the import upsurge. Our purpose was to prevent these imports from interfering with our income programs by bringing total dairy products imports back to the level which had prevailed from the establishment of import controls under Section 22 in 1953 until 1966. During that period, dairy imports, taken altogether, were equal to something less than 1 percent of our domestic dairy production.

Domestic dairy production this year is expected to be about 120 billion pounds, milk equivalent. In establishing the new dairy import quotas, the Administration has aimed at holding the dairy import total (quota items and non-quota items combined) to approximately 1.0 billion pounds, milk equivalent.

While our Section 22 action was being taken, we heard a lot of sharp criticism -- both of the law and the manner in which it was being carried out. We were told that Section 22 was too slow, too cumbersome to provide an effective remedy. What has been demonstrated is that this is just not so. We faced a difficult and very complex problem, both domestically and internationally; we acted under the legislation; all concerned had the opportunity for a fair hearing; and we have achieved a solution.

In brief, Section 22 has stood the test. It enables us to deal with special agricultural problems as and when they arise -- flexibly, selectively and successfully.

Our critics say that we can't really control imports -- that the smart boys will always be able to find loopholes. My point is that the situation

can be kept under control, using the legislation which we now have, and that the recent Section 22 action has demonstrated this.

The Congress has before it numerous bills, most of them identical, to require across-the-board import restrictions on all dairy products -- including items containing butterfat or nonfat milk solids which are not usually thought of as dairy products. I think we all recognize that a blanket import ban would seriously hurt our foreign trade. Almost surely it would provoke foreign retaliation against our farm exports.

As I judge the situation now, there is no need to pay this price. Imports have been cut back to a tolerable level. We expect to keep them there. Our foreign trading partners did not like the new controls which were applied under Presidential proclamation, but they recognized the fact of evasion, and they have long ago accepted our use of Section 22 to protect our farm programs from serious injury. This is important. It means that our foreign suppliers are much less likely to retaliate against our exports to them when controls go on. As I see the situation today, we have faced the dairy import problem, and we have already overcome it.

Let me now turn to the question of beef imports, where we also had a special problem. In the early 1960's, our only market protection was a modest duty. We have no domestic support system. Other countries' systems, however, were becoming more heavily supported and protective. The EEC was perfecting its variable levies; the U. K. had a domestic support system which made it increasingly less profitable for exporters to sell there than in the U. S. Japan had strict quotas. Thus, quantities of fresh, chilled, and frozen beef and veal were flowing to the U. S. from exporters who found it impossible or much less profitable to sell elsewhere. The heaviest imports of these products occurred in 1963 and led to the enactment of the meat import law of 1964 (Public Law 88-482).

The meat import law does not actually impose quotas. It sets a target which imports cannot exceed in any year without triggering quotas. If quotas are imposed, they will hold imports to a level based on average imports in the 1959-63 period, adjusted to take account of change in U. S. production.

The limit on imports under the law would be approximately 6.7 percent of domestic production. Actually, imports in 1966 were 5.6 percent of production, and we expect them not to exceed 5.8 percent this year. By contrast, imports amounted to 8.6 percent of production in 1963.

What our importers bring in, by and large, is beef for manufacturing. The price effect of this is small and falls largely on domestic cow beef, which is used for the same purposes. It is instructive to note that although imports have risen slightly since 1965, U. S. cow prices have also increased -- from \$13.40 per hundredweight in 1965 to \$16.60 to farmers in 1966 and \$16.90 during the first 9 months of 1967. We do not expect imports of this meat, at the levels permitted under the law, to place any appreciable downward pressure on domestic cow prices in the years to come. The demand for manufacturing beef is expanding rapidly. Total cow numbers on farms in the U. S. have changed little since the mid-50's, and dairy cow numbers -- the main domestic source of this kind of beef in the past -- have dropped one-third over this period.

We don't believe that these imports are having any appreciable impact on fed beef prices. They rise and fall in relation to the supply of fed cattle marketed in this country. I would expect fed beef prices to continue their upturn this winter as marketings continue to drop off.

Currently, there are many bills pending to amend our meat import law. These bills would impose mandatory and more restrictive annual import quotas on such meats. They would base average annual imports on the years 1958

through 1962, rather than the years 1959 through 1963, as now provided. They would divide annual quotas into quarterly quotas, the unfilled portion of which may not be carried over into the following quarter. If the most restrictive features of the legislation presently before Congress were implemented, it is our estimate that the price rise on domestic cutter and canner cows would be less than 2 percent, and on fed cattle, less than 1 percent.

Accordingly, I don't see the need for these changes in legislation. Imports are at moderate levels and are meeting manufacturing beef needs without disturbing prices. The present law will keep them at moderate levels. The equal quarterly distribution of these mandatory quotas would tend to disrupt trade patterns unnecessarily without really helping domestic prices.

The import controls we have now seem fully adequate to their task. They have been accepted by our suppliers -- although reluctantly. I emphasize - reluctantly. Other countries don't care to see their exports cut back. But they recognized the special situation facing us.

Mr. Chairman, earlier I said that, before we used controls, we should be sure there is a clear and present need for them and that their dollars and cents costs in loss of exports are not out of proportion to their benefit to some of our producers. In the case of quota legislation for dairy products and meat, I do not see a present need; the situation is under control; and the cost of more restrictive controls on these products, in my judgment, would be far greater than we should pay. Farmers producing for export would be hurt and dairy and beef producers won't really benefit.

Where imports of other agricultural commodities may be concerned, we must apply the same down-to-earth, pragmatic tests -- are the restrictions in the best interest of the American farmer and the United States -- we should not hesitate to decide against restrictions if the answer is clearly that they are not.





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STATEMENT OF SECRETARY OF AGRICULTURE ORVILLE L. FREEMAN
BEFORE THE SUBCOMMITTEE ON EXECUTIVE REORGANIZATION, COM-
MITTEE ON GOVERNMENT OPERATIONS, UNITED STATES SENATE, ON
S. 836, "TO REDESIGNATE THE DEPARTMENT OF THE INTERIOR AS
THE DEPARTMENT OF NATURAL RESOURCES AND TO TRANSFER CERTAIN
AGENCIES TO AND FROM SUCH DEPARTMENT," 10:45 a.m., OCT. 19,
1967, ROOM 3302, NEW SENATE OFFICE BLDG.

Mr. Chairman and Members of the Subcommittee:

I appreciate this opportunity to speak to you about S. 886.

The Department of Agriculture naturally is interested in this bill because it would transfer all of our functions administered through the Forest Service, and those of the Soil Conservation Service under the Watershed Protection and Flood Prevention Act, and the 1944 Flood Control Act.

We strongly recommend that S. 886 not be enacted. We believe that administrative organization, including the grouping of Government functions, should not be determined by abstract theory. Instead, historic experience and the demands and the needs of the times should be the influential criteria. Applying such a test it is my considered judgment at the present time that there is much that could be lost and little that could be gained by the rearrangement contemplated in S. 886.

Let's examine these criteria as they apply in this issue.

First, historic experience:

In 1905, the National Forests were assigned to the Department of Agriculture. In making that assignment, President Theodore Roosevelt said:

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"In the Department all problems relating to growth from the soil are already gathered ... and all the sciences auxiliary to forestry are at hand for prompt and effective cooperation."

That was one reason for the transfer.

But there was another.

Up until that time, except for isolated instances, forests had been treated like mines. The objective was simply to mine timber from the earth in the same manner gold and silver was extracted. The concept of timber as a renewable resource was as yet unborn.

But Theodore Roosevelt, Gifford Pinchot, the first Chief of the U.S. Forest Service, and the Department of Agriculture made that concept a reality, and today it is accepted by both public and private timber management.

And Roosevelt, Pinchot and the Department made another concept reality, too. I speak of the concept of multiple use of our National Forests. The same National Forest that yields timber for human use, can also provide recreation, can graze cattle and wildlife, can support fishing, and can serve as a water collector and water protector for the use of people living downstream.

There were sound reasons for the transfer of the Forest Service to the Department of Agriculture, and those reasons are just as sound today as they were 62 years ago.

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Thirty-four years ago another agency was transferred to the Department of Agriculture, and again with good reason.

The Soil Conservation Service began as the Soil Erosion Service, an emergency program under the Public Works Administration. The Soil Erosion Service was established to conduct emergency demonstrations and to provide labor for the unemployed at a time when the very earth of the Great Plains was vanishing in devastating duststorms, destructive floods were washing away the heartland of America, and the Nation was gripped in the Great Depression.

It soon became apparent that this fledgling service was of such value it should be given permanent status and everyone, including then Secretary of Interior Harold Ickes, who administered it under PWA, recognized that it ought to be established within the Department of Agriculture. Why? Because it was a program associated with private lands and could not be separated from agriculture, all of which is carried out on private lands.

And so, on April 15, 1935, Public Law 46, establishing the Soil Conservation Service in the Department of Agriculture and directing the transfer of Soil Erosion Service personnel to the Department, was enacted without a dissenting vote in either House of Congress.

Today the Department of Agriculture is responsible for administering programs embracing the conservation and development of nearly 31 percent of the Nation's total land ... all the cropland, the grassland pasture and range, and the forest land in the National Forests and in private ownership.

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The Department has "first" Federal responsibility with respect to the water that falls on this nearly 81 percent of the Nation's land. We have extensive programs of controlling, conserving and developing this water resource where it falls -- in the forests and on the private lands in agricultural and other uses.

The Department administers 186 million acres of National Forests and National Grasslands. In addition, we administer Federal programs dealing with the 450 million acres of forest land in private ownership.

And we have extensive programs of physical and economic research covering the entire field of natural resources.

So much for historic experience as one criterion for determining proper administrative organization. Now let's look at the other criterion ... the demands and needs of the time.

The establishment of the Forest Service and the Soil Conservation Service met the specific conservation challenges of repairing the damage done by man and nature, and restoring, conserving, and developing timber, soil and water resources.

Today we are faced with an even greater conservation challenge, the challenge to restore, conserve and develop man's total environment.

Of crucial importance to this effort will be the restoration of rural-urban balance by building a Town and Countryside USA that will be a vigorous, healthy partner with today's urban America ... a Town and Country that will aid in the solution of those grave problems of megalopolis that threaten our very national integrity.

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To create such a revitalized rural America will require all the tools of creative Federalism ... including a maximum amount of local leadership and decision-making.

President Johnson has prescribed a team approach in shaping and using Federal resources involving local authorities in both decision-making and administration consistent with local needs and desires.

The Soil Conservation Service and the Forest Service are two great agencies whose programs and traditions and systems are, by their very nature, a part of the warp and woof of local development, decision-making and administration in the use of renewable resources.

As such, these two agencies must play an ever-increasing role in the revitalization of rural America so necessary to the restoration of rural-urban balance.

These agencies are indigenous to rural America. Small watersheds coupled with essential land treatment; private, relatively small, farm forestry; National Forest management, including grazing and water management -- all are as much a part of farm land and town and country as skyscrapers are of megalopolis.

Three-fourths of this Nation's land area is in privately owned tracts in rural America. Of the privately owned forest land, nearly 80 percent is owned in small parcels by private owners who have no connection with large forest industry. The owners of these tracts in rural America -- farm and forest -- must carry the main burden of meeting our growing resource needs. Most of them are farmers who traditionally have cooperated with the USDA in a wide range of other programs.

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For over 100 years, the Department of Agriculture has been geared to the particular challenge of meeting our growing resource needs. To lift out our forest and soil and watershed responsibilities could jeopardize the efficiency, continuity and harmony of an effective package of resource programs built up over many years.

The forests, waters, and rangelands of the National Forest System are the keys to upbuilding Town and Country life in many areas. Timber harvests, pure water, grass, fish, game, campgrounds, winter sports areas -- these are a few of the ways these public resources bolster the Town and Country economy and contribute to its confidence and potential for growth.

Furthermore, effective conservation of man's total environment requires the treatment of renewable resources as an ecological whole. In the present situation, the Forest Service, through administration of the National Forest System, forestry research, and cooperative State and private programs, closely tied into the Federal-State Cooperative Research Service, is a full partner in the USDA team effort. Providing jobs, raw material for industry, local demonstration areas, scientific skills and knowledge, and protection of forest resources through cooperative arrangements with State and local people are examples of how the activities of this agency play an integral role in our Department's mission.

This relationship is like a delicate instrument, the product of trial and error over many years, balancing national, State and local interests and management participation in an effective manner.

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Similarly, the watershed and flood prevention activities of the Soil Conservation Service are operated by and for local people in time-tested programs of assistance to Soil and Water Conservation Districts and numerous other sponsoring local organizations. These involve intimate contact with local farmers and such other agencies of the USDA as the Agricultural Stabilization and Conservation Service with its commodity and conservation programs. These, too, are integral parts of our Department's efforts to advance the social, cultural, and economic well-being of Countryside, USA.

Today, one of our most pressing needs is to build economically viable rural communities. Consistent and integrated land and water resource management systems are needed to make multiple use of resources effective and to expand the opportunities for people to live a full life in the towns and countrysides of the Nation. These are inherent parts of the solution of the production and income problems of farm and rural America. As a matter of national policy, we need to keep people in rural America, not concentrate them in our big city areas with all the resulting problems of ghettos that feed on the spill-over from rural slums.

With all this in mind, the separation of soil conservation, upstream watershed development and forestry from the farms and the other lands of rural America would be radical surgery indeed. To separate the small watershed program under P.L. 566 from the rest of the land treatment programs of the Department -- and, figuratively, to separate the woods a farmer owns from the rest of his farm enterprise -- is poor organization.

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The ties that weave the research, cooperative forestry and public land management of the Forest Service, and the soil-conserving and watershed and flood prevention activities of the Soil Conservation Service into the overall programs and responsibilities of the USDA, we are convinced, are much more significant, much more binding, than they would be to a Department of Natural Resources such as that proposed by S.886.

I most emphatically do not mean to minimize in any way the importance of Interior's programs. But historically, and as a practical matter of day-to-day working, they are not linked as closely to local communities, farms and small towns -- or with the local decision-makers -- as the programs of the Department of Agriculture.

In the way Interior has traditionally operated, it is organized so as to focus its major attention on regional and national problems more than on matters that relate to the private and locally owned lands and resources that make up the bulk of America and the small units of local government that are inextricably involved in local development, land, water, and forest problems.

By contrast, the Department of Agriculture has traditionally been decentralized so as to be acutely sensitive to local and private needs as well as those which are regional and national in scope.

Therefore, if the Congress decides it will be beneficial to group natural resource functions in one complex, then let me suggest that the Bureau of Land Management, the Fish and Wildlife Service, water pollution control activities, and the outdoor recreation activities of the Department of the Interior might be transferred to the Department of Agriculture.

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There they could be integrated into the economic development programs now taking place in the towns and countryside. If this were done, it is conceivable that the USDA could strengthen the determined efforts we are already making -- in cooperation with other Federal Departments, and with State and local authorities -- to build a viable economic and social rural counterpart to metropolitan America.

Let me make it clear, however, that I do not recommend that agencies in the Department of the Interior be transferred to the Department of Agriculture. On the contrary, it is my considered judgment that it would not be wise to reshuffle agencies in either direction.

I base this judgment on some practical experience as an administrator, both as the Governor of a great State and for almost seven years as the administrator of a Department with multiple programs in every county of the United States and more than 50 countries around the world.

From the standpoint of effective public administration, efficiency, and maximum use of the talent and funds available, I am convinced nothing would be gained by re-grouping resource agencies. On the contrary, the aggregation of such agencies, as proposed in S. 886 would, in my judgment, result in an enormous concentration of authority and responsibilities in one Department. Such a concentration of widely varied functions would be so enormous in its scope as to make management extremely difficult. Further, I am convinced it would place an extraordinary amount of power over the Nation's vital resources in one place.

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The benefits that theoretically might result from such combinations could well be more than eroded by the consequent losses that would come in the effort to direct and manage such a monolithic operation.

I am convinced there is no need for the reorganization called for by this bill.

Today the Departments of the Interior, Army (Corps of Engineers), and Agriculture enjoy, and benefit from, a very satisfactory working relationship. This was brought home to me again just last month when I visited Bend, Oregon, area and saw dramatic examples of how the combined efforts of Federal resource agencies, working closely with local groups, could restore economic vitality to a once severely-depressed area.

For the most part, today's competition between the Department of the Interior and the Department of Agriculture is healthy. Most of this competition takes place in the area of recreation, where the National Park Service and the Forest Service vie with one another to provide more imaginative, innovative and effective service to the recreation seekers of this land.

Such sensible competition, stimulates greater effort and more effective performance, without the waste of extremes. It should be continued. It is in the national interest.

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Mr. Chairman, the needs of the times demand nothing less than our best performance at the Federal level -- cooperative action, intimately related and sensitive to local development and leadership. And the practical requirements of effective and efficient administration are no less important.

Both need to be evaluated against the course of action that would take place should this bill become the law of the land.

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I am delighted to welcome all of you to this National Outlook Conference on Rural Youth.

Many of you represent State agencies with deep commitments to improving education, employment, health, and cultural opportunities for youth.

Many others represent key private organizations and agencies that work directly with youth.

And I am particularly pleased to see here so many young Americans themselves.

On behalf of the six Federal Departments and agencies which have taken the lead in sponsoring this conference I bid each of you a most hearty welcome.

This is a truly historic occasion. We are here to set in motion forces that will build new prospects for American rural youth -- and not only for rural youth but for all youth, everywhere, throughout this nation.

I say all youth, because there is no longer any sharp line that divides rural and urban America -- or that separates rural and urban youth. Whatever affects youth in Washington, New York, Chicago, or San Francisco, radiates to some degree into every town, village, hamlet, and farm in America.

Remarks by Secretary of Agriculture Orville L. Freeman at opening session of National Outlook Conference on Rural Youth, 8:00 PM, October 23, 1967
Departmental Auditorium, Washington, D.C.

And, equally, whatever affects youth in Countryside USA radiates into all of big city America.

This is what makes it so vitally important that we achieve and maintain rural-urban balance in this nation.

In the past 15 years I have had the opportunity to meet or correspond with thousands of young Americans. I like them. I respect them. They haven't turned on and dropped out. They're intensely interested not only in what they can do for themselves ... but in doing what they can for their country.

Among them is a certain discontent, a certain impatience. As well there should be. Among the best of American youth -- those with noble ideals and a sense of responsibility -- there has always been discontent with the status quo and impatience to get on with creating something better.

The tragedy of this generation -- as I see it -- is that too often healthy discontent and impatience have given way to disenchantment and sick despair.

In the brief time I have with you this evening, I'd like to address myself to this. I'd like to examine with you the irony of despair and disenchantment in a time when America is moving forward at a pace undreamed of by our forebears.

First of all, let me quickly agree that there is ample reason for discontent with our society.

Here we are, by all odds the richest, mightiest, most productive nation that has ever existed. But somehow we have not yet been able to mobilize our vast capacities to maximum effectiveness.

(more)

We have more than enough food to wipe out hunger -- but millions of our people are still undernourished.

We have the capacity to educate not some of our youth -- but all of our youth -- yet we are not doing it.

We have the means to furnish ample medical and hospital care for young and old, rich and poor, country people and city people -- but too many are still denied it.

We have the sources to provide ample job opportunities -- but among some ethnic groups unemployment runs as high as 20 percent. And it's highest among youth.

Who among us would deny that we can wipe out poverty and discrimination -- provide decent housing -- eliminate slums -- reduce crime -- alleviate congestion -- keep our air and water from pollution?

But we are not doing these things as well or as swiftly as we must. So, of course, we are discontented.

Some of these conditions are particularly prevalent in rural America. About two or every five persons on farms have poverty level incomes. One of every three occupied homes in rural America either needs major repairs or total replacement. The 1960 census revealed that more than 30 percent of rural homes did not have hot and cold running water. Some 35,000 rural communities still lack modern water systems and 45,000 need sanitary waste disposal systems.

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So there is reason for discontent, and no one recognizes this more than the President. It was he who said: "We haven't been keeping faith with tomorrow -- or with ourselves -- and we ought to realize it."

The young people of America realize it, and much of their discontent -- discontent that sometimes boils over into something worse -- stems from the failure of American society to offer them a challenge and a sense of purpose consistent with their idealism and explosive energy.

And why has society failed to give young people the inspiration they need and deserve? Because too many Americans are spending too much time knocking their own country and too little time doing something about it.

For many, many months, now, we've heard how bad America has become. We can hardly read a newspaper or a magazine, spend an evening watching TV or listening to the radio, see a movie or hear a speech without being told what's wrong with America.

No wonder the healthy discontent of youth is for some turning into sick disenchantment!

Discontent, dissent, constructive criticism ... this we need. Our country has become as great as it is precisely because of this. But what we don't need are Americans who have dropped out, given up, walked away from social, economic and, yes, moral responsibility because they've been sold a bill of goods that there is no hope for their country.

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I'm here to tell you that never in history has there been as much hope for America as there is today!

I'm here to tell you that this nation has made more social and economic progress in the past seven years than has ever been made by one country in all the history of mankind!

The young people of America must be told that the important thing is not that all of our problems have been solved nor all of our challenges met ... but that we are moving to solve those problems and meet those challenges. And we are moving faster than ever before.

Just think of what's happened in less than seven years:

We've had the longest uninterrupted business boom in history -- 80 months!

We've gained 7½ million new jobs and cut unemployment in half!

We've had a 51 percent increase in personal income -- \$180 billion more than we had in 1961. Today Americans have \$40 billion more to spend than they had just one year ago!

We've had a 71 percent increase in corporate profits -- after taxes.

We've had a 56 percent increase in realized net income per farm!

And we've had a 25 percent reduction in poverty!

But the idealism of youth traditionally is not satisfied with mere material gain, thank goodness, so let's consider what we're doing with the prosperity so many -- but not all -- are enjoying.

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Are we honoring the demands of the American dream that some day every individual will have a chance, every individual will be of value, no individual will be deprived of what is rightfully his ... where the human spirit is freed, human dignity enhanced, and human potential fully realized?

Tell the disenchanted to ask 40 million older Americans what they think of a Medicare program that gave them billions of dollars worth of hospital, medical and nursing home care the first year it was in effect.

Tell the disenchanted to ask a million needy college students, 9 million disadvantaged youngsters, 100,000 graduate students and 2,000 colleges and universities who benefited what they think of the Funds for Education legislation enacted in 1965. The 89th Congress voted more Federal funds for education than all the Congresses that preceded it put together.

Tell the disenchanted to ask a million children who have been given new hope through summer and full-year programs what they think of Head Start, or 35,000 young men and women what they think of the Job Corps they served in, or a million poor youth who were helped to find jobs or were helped to return to school what they think of the Neighborhood Youth Corp program, or 22,000 high school graduates what they think of the Upward Bound program that made it possible for them to go on to college, or millions of others who benefited from any other Anti-Poverty programs what they think of those programs.

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Tell the disenchanted to ask the 2 million low income Americans who participate what they think of the USDA's Food Stamp program that enables them to expand their food buying power to nourish their families more adequately.

Tell the disenchanted to ask conservationists what they think of a Congress that passed more conservation, anti-pollution and natural beauty measures than any Congress in history -- Highway Beautification, the Land and Water Conservation Fund, the Water Pollution Control Act, the Clean Air Act Amendments, Amendments to P.L. 566, and authorization of Resource Conservation and Development.

Tell the disenchanted to ask Negroes what they think of the landmark civil rights legislation that did more to right 200 years of wrong than any such laws ever before passed in this country.

And tell the disenchanted to ask hundreds of millions of hungry souls overseas what they think of the Food for Peace and Food for Freedom programs that are providing them with food aid, technical assistance, and self-help inspiration.

My young friends, much of the discontent in America today is inspired not by our failures ... but by our progress!

More than a century ago, Alexis de Tocqueville, that brilliantly perceptive French observer of the American scene, wrote something prophetically appropriate for the mood of the moment in these United States in the year 1967:

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"Only great ingenuity," de Tocqueville said, "can save a Prince who undertakes to give relief to his subjects after long oppression. The sufferings that are endured patiently as being inevitable become intolerable the moment it appears there might be an escape. Reform then only serves to reveal more clearly what still remains oppressive and now all the more unbearable. The suffering, it's true, has been reduced, but one's sensitivity has become more acute."

I say to you, the young people of America, keep your discontent. Remain acutely sensitive to that which remains oppressive. Keep your idealism and your determination to forge a better world.

But don't lose faith or your perspective. Build on what has been built before you. Don't tear it down. The Great Society will be built on the New Frontier, the Fair Deal and the New Deal ... but it won't be built in a day, or a year, or a generation. Indeed, it will never be finished. But what is important is that a start has been made .. and the effort must be continued ... by you ... and those who follow you.

This nation is challenged by destiny. More specifically, it is challenged by American youth. Have we the wisdom to use our wealth and resource to enrich, elevate and advance the quality of our civilization? Do we dare to plan for the kind of America that we can proudly pass on to those who will come after us?

We are here at this conference in response to that challenge.

As a first step toward meeting it, we will need to get hard facts and objective appraisals of current conditions throughout this nation. We need to find out what it will take to achieve a renewal -- a rebuilding -- a revival -- a renaissance of opportunity throughout rural America.

This renaissance is our ultimate goal. Can we achieve it? I know we can. It is already well underway.

Spurred by a new spirit, rural America is changing. Scattered across this country, some 3,200 community resource development committees and roughly 600 multi-county committees are taking positive, effective action to provide jobs, education, training, housing, health, recreation and other facilities and services needed in rural America.

During recent months I have seen dozen of examples of dynamic action in the Midwest, the South, the East, and the West.

We have been advancing as an alternative to megalopoli -- which is the stacking up of human beings layer by layer in giant urban complexes -- the concept of a town-country community. The town-country community is a non-metropolitan district in which villages, towns, a small city or two, and counties having common interests move forward under joint planning and development programs. Some 26 states are already using this concept in their planning programs.

I visited an area in Iowa last June where local leaders and officials of 10 counties have combined to plan for the wise use of the resources in all their counties to improve the economy and enhance living opportunities in the entire region.

A banker in one of the small towns involved on this project told me that hog and cattle production had doubled in his county, jobs in industry had increased from 310 in 1960 to 1,150 today, and income per family had doubled. His bank's lending limit had risen from \$20,000 to \$80,000.

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On that same trip, I visited Tupelo, Mississippi, a city that has made itself the base for an amazing record of economic growth in a 7-county area.

Last month I visited the Congaree Iron and Steel Company in Congaree, South Carolina. Ten years ago, it was a roofless assemblage of used machinery; today it is a thriving industrial plant, with 400 employees and a million-and-a-half-dollar payroll.

People who had fled, jobless, to the big cities a few years ago, are returning to Congaree, because this is where they want to live, and this is where they can get jobs now, thanks to dynamic local people.

These are but a few examples of what is happening in scores of communities in our land. It is thrilling -- inspiring -- to see people and communities spurred by a new spirit, breaking free of the straitjackets of apathy and poverty.

Building on this beginning, I am convinced that in the next decade this nation can, and will, create hundreds of vigorous, viable, growing Town and Country communities.

They will offer almost everything the big cities can provide -- except the congestion, confusion, crime, ghettos, unemployment, unrest, polluted air, and dirty water that besmirch the typical American metropolis today.

I see a great and promising future for the youth of America -- rural and urban alike -- if only we follow through on the progress now being forged.

This is our dream -- our goal. We can achieve it.

Young Americans, have no fear of the future, now of its challenge and responsibilities. Working together, let us attack the source of our discontent and put America's capacities to work.

Let us keep faith with tomorrow.

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NOV 15 1967

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U.S. Department of Agriculture
Office of the Secretary

I'm delighted to welcome you to this unveiling, so to speak, of the Yearbook of Agriculture 1967, Outdoors USA.

In your company I feel like the stranger in town, who was going around on a Sunday morning looking for a church to attend. He stood in the doorway of one church and he heard the clergyman and congregation reading, "We have left undone the things we ought to have done and we have done things we ought not to have done."

The man dropped into a seat with a sigh of relief. "Thank goodness," he said to himself, "I've found my crowd at last."

You are my crowd -- my kind of people.

You recognize, and I do, that in many respects the American people, and we ourselves, have left undone many things we ought to have done to Outdoors USA and have done many things we ought not.

I know you are all adventurous souls and lovers of beauty, and that deep within you is a determination to make this a better land for the people of America.

And so I know you will like this book, because the themes it deals with are Adventure

Beauty

and People.

Remarks by Secretary of Agriculture Orville L. Freeman at press premiere and reception of "Outdoors USA," 1967 Yearbook of Agriculture, 5 p.m. (EDT), Oct. 25, 1967, at the National Wildlife Federation building, Washington, D.C. The Natural Resources Council of America joined with the Secretary in introducing the Yearbook.

Adventure calls from almost every one of its 110 articles.

This is evident in such charming, enticing titles as: "A Million Dollar Vacation in a Canoe" -- "Wilderness Adventure" -- "Winter Fun in a National Forest" -- "Fishin' Luck Has to be Good on the Horseshoe Lakes" -- "A Cinderella Town Wins the Recreation Prince" -- "Billy the Kid Becomes a New Drawing Card."

Reading these articles is sure to whet our appetites for adventure outdoors.

The book is also concerned with beauty. The color photos are almost breath-taking in their appeal.

It has been said that man no longer seeks beauty but rather the ways to cover ugliness. I do not agree. The only reason man covers ugliness is because the desire for beauty is so deeply ingrained in his soul. He must have it or perish.

Pearl Buck put it awfully well: "Through the perception of beauty the spirit goes strong in hope and courage. Without such perception the wings never spread, and mind lives in shadow, and the heart fails." You will find beauty in these pages.

Finally, Outdoors USA tells its story wherever possible in terms of people.

This is as it should be. We seek to conserve and improve Outdoors America -- and to enhance our citizens' appreciation of it -- not for the sake of land and water -- or wildlife, game, cattle and sheep -- but for the people's sake. Conservation is for people. People are the beginning and the end of it. Man is the conserver and unless his efforts make him happier, more secure, healthier in body and spirit, it is all so much wasted effort.

(more)

Early in this century when Gifford Pinchot and President Theodore Roosevelt fought a great conservation battle, their primary concern was to protect natural resources from the destructive wastefulness of people.

The maturing of thought and action in conservation since that time is apparent in the growing recognition that conservation's primary challenge today is to protect man from the consequences of entrapping himself in a self-built jungle of concrete and brick.

What began as a program to protect the forests and the land has now become a program to protect the quality of our way of living.

And if we do not encourage and foster this concept, the grim appraisal of Gen. Omar Bradley may well be realized.

"Year after year," Gen. Bradley wrote after a penetrating appraisal of our country, "our scenic treasures are being plundered by what we call an advancing civilization. If we are not careful, we shall leave our children a legacy of billion dollar roads leading nowhere except to other congested places like those they left behind. We are building ourselves an asphalt treadmill and allowing the green areas of our nation to disappear."

Outdoors USA is indicative of the broad conservation functions of the Department of Agriculture. It is the latest salvo in our battle to rejuvenate and revitalize all of rural America for all our people.

This, then, is a book for all Americans -- for citizens concerned about conservation of our natural resources, for hunters and fisherman, for family campers, for all who are concerned with the quality of the total environment, for children eager to learn about the outdoors, for farmers interested in profit-making recreation enterprises.

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I commend it to your attention. Once you have glanced through it, I am sure you will want to commend it enthusiastically to your friends, associates, and all who are interested in the conservation and development of America's natural resources.

NOTE EDITORS:

Senators and Congressmen have limited numbers of copies of the Yearbook for free distribution to constituents. Copies of "Outdoors USA" may also be obtained for \$2.75 each from the Superintendent of Documents, Government Printing Office, Washington, D.C., 20402.

The U.S. Department of Agriculture has no copies of the Yearbook for public distribution or sale.

Photographs taken at the reception may be obtained from the Photography Division, Office of Information, U.S. Department of Agriculture, Washington, D.C. 20250. Please use your zipcode. Telephone number is Area Code 202, DUDley 8-6633.

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JAN 11 1968

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Six years have passed since I first addressed the Biennial Conference of the FAO. This is my fourth such meeting as a Minister of Agriculture. Perhaps then you will indulge me if I summarize where we were, where we are and where we must go, as I see it.

Much has happened in those six years -- some of it disappointing, but most of it, to me at least, encouraging.

To begin with, hard experience during those six years has painfully taught the world five important, basic facts about the War on Hunger that were little understood outside FAO six years ago:

First, most of the world today is aware of the awesome dimensions of the problem. The world knows what FAO has known for years: that we are in a desperate struggle -- the War on Hunger, a War that will require a massive, imaginative, long-range effort unprecedented in human history.

Second, FAO emphasis that agriculture is the necessary base for significant economic progress in every country is today widely accepted. Agriculture, long a stepchild in the scheme of national development, now is getting top priority in many of the developing countries.

Third, the community of nations, including my own, has accepted the premise that unqualified, concessional food shipments from agriculturally advanced countries can be a disincentive to increasing agricultural

Address by Secretary of Agriculture Orville L. Freeman at the 14th Biennial Conference of the Food and Agriculture Organization of the United Nations in Rome, Italy, November 7, 1967.

production in developing countries. We have learned that concessional shipments, properly managed, will buy time by easing food shortages, and will provide resources to help economic growth, but that standing alone they are not a lasting solution to the problem.

There is also an increasing awareness that the food problem is not only a race between food and people. Rather, it is a three-way race that involves food and people and rising incomes. Economic progress and rising incomes mean rising demand for food. This is often overlooked.

Finally, there is widespread recognition that in the War on Hunger we must pay attention to food quality as well as quantity -- that the overwhelming threat of famine must not obscure the fact of widespread malnutrition. This point was first made by FAO 15 or more years ago.

We know that malnutrition, particularly protein shortages, in the early years of life reduces the potential for mental as well as physical development.

We know that food shortages of today are depreciating the human resources of tomorrow for at least a generation to come. Those who are mentally disadvantaged by environmental factors cannot provide the caliber of leadership which the future requires.

FAO has pioneered in this field, suggesting 15 years ago that cereals be fortified to improve their protein impact. Today the world has the amino acids necessary to improve the quality of national diets, and we have the technology for the fortification process. Partial fortification of wheat or rice with lysine now is economically feasible. It is being done on a limited scale, and it is crucial that it be done much more widely.

In an effort to determine the feasibility of large-scale synthetic fortification, representatives of the U. S. Government have approached a number of governments to determine their interest in setting up such demonstrations. Discussions also have been held with agencies of the United Nations to obtain their support.

And the U. S. Agency for International Development has signed five contracts with American companies to develop new protein foods, using raw materials indigenous to each country or easily imported.

Soy protein beverages, soy foods, fortified corn foods and protein foods from high-protein wheat fractions, all specifically tailored to the eating habits of particular less-developed countries, are among the projects already underway.

We have reached the point in protein technology where we feel that we can recommend goals, attainable goals that have a two-fold purpose: First, to develop a basis for assessing the extent of the malnutrition problem by evaluating the situation after these goals are met, and second, to provide a basis for measuring progress in increasing protein supplies.

Of course, the only ones who can set goals for themselves are individual nations; no other nation and no other body can set goals for them.

So we would present these goals only as a basis for discussion; to accept or reject, to modify or revise.

A reasonable goal for fortification might be that all emergency

shipments of wheat and corn flour be fortified by 1969, and that all imports of wheat and all wheat products in large urban milling centers in developing countries be fortified by 1970, and that by the end of next year substantial progress be made in fortification of rice.

A tentative goal of 1 billion more cups of protein beverage per day by 1970 might be appropriate.

The important thing is that we have the technology to set goals and to achieve them if we all put what resources we have -- human and material -- to the task.

Equally exciting are the longer term prospects for genetically improving the protein quality of cereals by breeding more and better protein into the plant permanently rather than adding it synthetically in what must be a continuing process.

Researchers at Purdue University in my country have found a gene in corn that will do this, a gene with a high lysine link. They are confident that it can be integrated into commercial corn.

The progress in nutrition since we last gathered here has been most gratifying. But we must go much faster.

However, the first priority of the food problem remains yield -- the production from the farmers' fields.

And here again the past few years have witnessed two far-reaching technological breakthroughs that give me cause for optimism. One was by chemical engineers, the other by the plant breeders.

The engineers have developed more efficient means of synthesizing ammonia, the basic ingredient of nitrogenous fertilizers.

This means that the technology is available to manufacture these fertilizers at about one-half the cost of those produced today. This fact has tremendous implications for farmers -- and their governments -- and for hungry people all over the world.

You are also familiar with what the plant breeders have done in developing new varieties of wheat and rice -- man's principal staples -- which far outyield traditional varieties if properly managed.

I know that other speakers will address themselves to this from on-the-spot experience.

But I would like to note that the wheat, developed by the Rockefeller Foundation in Mexico, is being rapidly multiplied throughout the Middle East-South Asian region from Turkey to India. Millions of acres have been planted for harvest next spring.

From present indications, it would appear that never in history has a seed strain spread so rapidly and successfully to other countries.

In the matter of rice, I would like to pay tribute to the International Rice Research Institute, established in 1960 in the Philippines by the Ford and Rockefeller Foundations and the Philippine Government.

Exciting new varieties from IRRI at Los Banos are now being tested, adapted and multiplied in more than a score of major rice-growing countries.

I believe the Institute, devoted solely to one crop, represents one of the brilliant successes of U. S. private foreign assistance. The impact of the varieties developed there will, I predict, serve as an engine of change, transforming traditional rural societies in many ancient countries into progressive, innovative societies of the future.

Much of the world also has learned these last six years that there is more to the War on Hunger than dramatic new varieties and chemical breakthroughs.

It has learned -- pushed and prodded by FAO and others -- that increasing production calls for strengthening many other links in the agricultural production chain -- for providing such necessities as reasonable credit, adequate marketing systems, proper pricing, sufficient water supply and sound soil and water management.

Developing countries are finding that it takes a proper price for a product to induce farmers to increase their efforts for greater production. When this fact is fully accepted by governments throughout the world, half the battle against hunger will be won.

Speaking of prices, FAO conference delegates know that the chief source of credit in most developing countries is the local money-lender, and that his interest rates -- his price for money -- may range from 20 to 80 percent per year.

Fertilizer bought with this credit may become unprofitable to use. High cost credit may compel marketing at the low prices of harvest time, further narrowing an already narrow margin of profit.

I am sure that those of you in the FAO who are working on the credit problem will agree with me when I say that devising effective credit systems to reach smaller farmers is one of the more complex problems facing those of us engaged in agricultural development.

However, the best credit system is of little avail in increasing farm production without a good marketing system, which means adequate storage appropriately located, a nationwide transportation system and a reliable market information system.

A number of developing countries, now heavily dependent on concessional food imports, are predicting self-sufficiency in food production within, say, the next five years. Yet, despite FAO marketing efforts going back as far as 1958, there is little evidence within some of these countries of efforts underway to develop a proper marketing system, the system needed to move massive quantities of food from the countryside into urban areas -- the system without which self-sufficiency can never become a reality.

Marketing more than perhaps any other link in the agricultural production chain is overlooked.

But as we talk about production, marketing and agriculture's other concomitants, we must not lose sight of its basic source -- water and land.

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USDA 3472-67

Most of you have seen the vast reaches of severely eroded land, much of it abandoned, in Asia, Africa and Latin America.

These huge areas of countryside are being denuded as growing human populations reach out for more fuel for cooking and warmth, and more forage for their increasing livestock populations.

The ecological imbalance between man and the land on which he depends for life is worsening rapidly in many food-scarce countries, and the pressure will get worse as a projected two billion persons are added to the population of the less-developed world over the remainder of this century.

The mantle of topsoil, measured in inches in most of the world, is being lost; effective water supplies are being reduced.

This need not be. We have successfully confronted this issue in the United States within my lifetime -- since the dust bowl era of the 1930's. It was only when wind erosion reached the point where heavy clouds of dust from the Great Plains obscured the sun over Washington that an alarmed Congress created the Soil Conservation Service.

This Agency of my Department, now 17,000 strong, has successfully eliminated erosion as a serious problem on American farms. We are ready, even eager, to share what we have learned -- to help those of you who are confronting soil erosion in any way we can.

Mutual help is the basic tenet of the United States commitment

to FAO. We realize that no one nation, no single people and no organization -- national or international -- can win this War on Hunger.

This view has long been held by President Johnson. Its soundness was confirmed for him by the Panel on World Food Supply of his Science Advisory Committee.

This distinguished group of educators, scientists, sociologists, industrialists and agriculturists, after more than a year of intensive study, released its report last May.

Some, perhaps most, of you are familiar with it.

It states the panel's unanimous belief that the United States must provide strong initiative in mounting a coordinated, long-range, global development effort in concert with other developed nations, international organizations, and the less-developed world to raise the economic level of poor nations.

It urges acceleration and strengthening of the trend toward multilateral administration of economic assistance.

In plain talk, it says that we as nations, as human beings, as fellow passengers on this circling globe, must all help each other in an awesome task.

I believe, and the Government of the United States believes, that the Food and Agriculture Organization is the specialized agency in the United Nations family especially qualified to lead in meeting this challenge. We believe it should be strengthened wherever needed for this task.

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We believe that a polarization of the nations of this earth into rich versus poor is not in the interest of either. We believe that both rich and poor will gain by higher incomes in the developing countries. We believe that all nations can and must work together to close the economic gap that separates so many -- not only for humanitarian reasons, but because only in that way will the peace and security that is in the interest of all be accomplished.

Therefore, it has been heartening for me to review the 10 years under the Director Generalship of Dr. Sen, and to see how firmly this organization has been set on a course of programs designed for action in the field, which is where hunger must be met and conquered.

It is heartening to learn of the steady progress of FAO's program with the World Bank, of the promise of its working arrangement with the Inter-American Bank, and of the rapport with the African and Asian Regional Banks.

Another banner of hope is the FAO/Industry Program, designed to mobilize the tremendous resources of private enterprise.

Many more agribusinesses and governments in the developing countries than ever before are cooperating, with good results. More ought to be, because we all know that governments alone can't win the War on Hunger. The resources of capital and know-how in the private sector all over the world must be energized and activated.

And finally, there is the Indicative World Plan, which offers a framework within which the nations themselves, developed and developing,

working together at the same time as they work separately, can set priorities and more effectively mobilize resources to wage the War on Hunger.

The world today does have the leadership; it is developing the organizational framework within which to fight this War. We have witnessed new and exciting breakthroughs in technology. Agriculture is increasingly commanding the top priority it deserves.

To me, all this adds up to cause for confidence that the War on Hunger can be won. To be sure, we must not be unduly optimistic, but at the same time we flatly reject the black pessimism of the "famine 1975" school that has been raising frightened voice.

We have no ear for those who would abandon half the world's people as doomed to starvation, nor for those who would ignore the problem.

We can meet the challenge of a hungry world. In the words of President Johnson, "the dimension of the challenge will define the dimension of our response."

The challenge is great. It will require brains, imagination and quiet courage -- the determined courage that is necessary to wage a long, unsung war on uncharted terrain.

For there are no trumpets, no drums and few banners in the War on Hunger. There are no push button solutions, and no spectacular blast-offs.

There is nothing but long, continuing responsibility.

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But the reward is great: The privilege, for this generation, the generation of the mid-Twentieth Century, of removing a spectre that has haunted man since before the dawn of time.

I am confident that, with FAO leadership and a worldwide commitment, we will have that privilege.

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NOV 15 1967

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U. S. Department of Agriculture
Office of the Secretary

A NATIONAL FOOD BUDGET -- CAN WE MAKE IT WORK?

It is always a pleasure to be in the company of courageous men. I use the word advisedly for many of you -- including the speaker -- will hazard prophesies during the next three days. This takes courage, for as Samuel Butler once said:

"The New Jerusalem, when it comes, will probably be found to resemble the old in that it will stone its prophets freely."

Josh Billings was even more pointed:

"Don't never prophesy," he said, "for if you prophesy wrong, nobody will forget it, and if you prophesy right, nobody will remember it."

With these admonitions, let us proceed.

Saturday I returned to the United States from the 14th conference of the Food and Agriculture Organization of the United Nations in Rome.

This meeting brought home most forcibly the close, inseparable relationship between agriculture in the United States and the needs of a hungry world. We live in a world of compressed space, one in which it is no longer possible to separate agricultural policy into tidy compartments -- label them

Address by Secretary of Agriculture Orville L. Freeman, November 13, 1967, 9:45 a.m. EST, to the 45th Annual National Agricultural Outlook Conference, Washington, D. C.

"domestic farm programs," "foreign aid," "commercial sales" -- and deal with them as separate entities.

All are inseparable parts of the whole. There is a word for this -- synergism -- meaning, roughly, that the whole is greater than the sum of the separate parts. This word describes my own thinking on a national/world food budget, and the agricultural policy that can make it a reality. I will have more to say on this in a few moments.

The FAO meeting also allowed me to view American agriculture through the eyes of others ... in this case, agricultural experts from nearly every nation on the globe. It was a stimulating and thought-provoking experience, one that sharply etched both the opportunity and the peril facing American agriculture in a revolutionary era.

The challenge is no less than the cause of peace itself. American agriculture has the opportunity to make a major contribution to world peace by providing food to hundreds of millions of people around the globe while -- at the same time -- it exports the technology so desperately needed by the poorer nations to feed themselves. We must do both, for unless we do, the War on Hunger will end in ignominious surrender to famine. Unless we win that War, our children will inherit a world wracked by chaos and misery.

This is the challenge, and, like most great endeavors, it is fraught with peril. For unless we can maintain the economic health of our own agriculture, there is little chance that this Nation can meet the challenges ahead.

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You are agricultural professionals, intimately aware of these challenges, and the complicated interplay of domestic farm policy, world trade and world economic development. You know, far better than most, that there are no simple answers, no instant solutions, to the problems facing this Nation and the world. This is why I am here today, to continue a fruitful dialogue the Department began some 45 years ago, and one in which I have participated since 1961.

In 1961, shortly after assuming my present job, many of us in this room began working toward the goal of a national food budget, an agricultural policy that would allow us to produce what we needed while avoiding continued buildup of the surpluses that had depressed farm prices and income during the fifties. In addition, the policy had to prevent equally disastrous shortages that would cost us foreign commercial markets and blunt our leadership in the War on Hunger.

This was our stated goal. At the time I pointed out that I had no magic formula to accomplish it -- to bring into balance demand and supply so that we could meet our objectives at home and abroad. But I did express confidence that -- given some time, determination and elbow grease -- we could develop the necessary machinery to do the job.

In the six years since 1961, by dint of trial and error, with considerable political strife and many close votes in the Congress, I believe we have developed the necessary machinery to make a national food budget a reality. It is now possible for the United States, as a matter of national policy and with the cooperation of government, farmers and the trade -- to:

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- avoid the boom and bust of surplus or scarcity
- produce the kind of agricultural products we need, in the right amounts.

This year, 1967, marks the beginning of the third year of the Food and Agriculture Act of 1965, one half of the machinery that makes possible our goal of a national food budget. The other half, Food for Freedom, is now in its second year. Thus, passage of the Food and Agriculture Act of 1965 and Food for Freedom in 1966 has made possible a true national food budget for the sixties, seventies, and beyond.

But the mere fact the machinery exists doesn't automatically mean success. That depends on the wisdom and leadership we apply to make the gears go round. Whether we have these crucial elements remains to be seen. Some groups are throwing sand in the gears right now. The concept of a national food budget is being severely tested -- if not threatened -- as we meet here at this historic Outlook Conference.

The Food and Agriculture Act of 1965 (which I'll call the "Act") and the Food for Freedom Program (which I'll call the "Program," hereafter), are twins. They complement each other. Neither can be effective in isolation, nor can a true national food budget be viable unless the Act and Program are closely coordinated.

The Act, of course, is designed to prevent surplus or scarcity through a working balance between supply and demand, one which will result in farm prices at as high a level as possible consistent with remaining competitive

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in world markets. If world prices are too low to return parity of income prices, the difference is to be made up to the farmer in direct payments.

These payments, in turn, can be used when necessary to withdraw acreage from production to avoid surpluses.

The Act traces its immediate lineage to the five major commodity bills enacted in the sixties, and its remote ancestry to the New Deal legislation of the thirties.

But it is fundamentally different from its progenitors. One of the single most outstanding differences between this legislation and that which preceded it is a recognition that stabilization of market supplies of basic commodities is a continuing -- rather than a temporary -- problem.

This was evident in the authorization of a four-year bill, rather than a one or two-year bill, as in earlier postwar legislation.

And there are other fundamental differences: The Food and Agriculture Act of 1965 provides for price supports at near-world levels for the major crops, with the stabilization and acreage adjustment programs necessary to avoid surpluses. This is in sharp contrast to earlier legislation with prices supported at higher than world levels.

How much acreage is to be withheld depends upon world production, domestic needs, dollar sales and the needs of aid-recipient countries -- for the Secretary, under P. L. 480, is to make food available to those needy nations that act in good faith to meet the self-help requirements of the Program.

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This is very different from the way Food for Peace operated for more than a decade in the past, and marks another departure from past programs. Under earlier P. L. 480 legislation, foods moving in aid programs had to be in surplus. This requirement was removed in the 1966 Program.

Removed in the 1965 Act (and earlier) were the mandatory acreage restrictions and the large export subsidies that accompanied high-level price supports. Adjustment programs for almost all the major crops are now on a voluntary basis; government payments are used to achieve adjustments, export subsidies are minimized.

Thus, the 1965 Act gives the Secretary some flexibility in adjusting annual programs as necessary to meet both commercial market and food aid needs at stable prices. At the same time, United States producers can be protected against sharp price and income drops if supplies exceed market needs for short periods.

There are still those -- an influential and sizeable minority -- who deny the necessity for a National Food Budget. They deny the necessity for farm programs and would abolish them. But to do this, in my considered judgment, would drastically affect our domestic agriculture and commercial and aid shipments because of the close interrelationship among them.

The basic disagreement, I think, is between those who would put their faith in random conduct of our affairs, versus those who would seek to shape events through conscious action.

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Certainly most of the problems which precipitated farm programs in the first place have not changed. American farmers still have the capacity to produce more than the market can absorb at a fair price to them. Our experience this year, with production up substantially in almost every commodity, ought to drive home this point dramatically once again.

Other things haven't changed either. No one has discovered, over the past 37 years, how to control the weather and its impact on production. World trade is still an absolute necessity to a healthy U.S. agricultural plant, and world prices cannot be established by fiat. Although we often hear that "farm prices are made in Washington," in fact, they are also determined in Ottawa, the Chicago pit, Canberra, Buenos Aires, and a hundred other spots around the globe.

Finally, of course, the relentless march of agricultural technology continues unabated, with its advances immediately and widely diffused throughout the developed agricultural world.

These are very fundamental conditions that existed at least four decades ago, continued seven years ago, when I became Secretary, and still exist today. According to every indicator I have studied, they will still exist tomorrow and for a long time to come.

What I have called the "New Era" farm programs were designed to allow farmers to cope with these bedrock problems; to allow them to participate in the shaping of their own destiny through the mechanism of government, just as Food for Freedom was designed to meet the bed-rock problems of a hungry world which needs desperately to develop its agriculture and its economy.

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The New Era programs, in a short seven-year period, have made notable progress. In contrast to the close of the 1960-61 crop year, when 1.4 billion bushels of wheat and 85 million tons of feed grains were stockpiled, only about 500 million bushels of wheat and 40 to 45 million tons of feed grains are expected at the end of this marketing year. Compared to the peak CCC years of 1956 and 1959, investment in farm commodities is down \$5 billion this year, and down almost \$2 billion from last year. The nasty label of "surplus and subsidy" has been largely scrubbed from the farmer's back.

U.S. products are moving freely in world trade, at competitive prices. Compared to fiscal 1961, total agricultural exports were up nearly 40 percent -- to \$6.8 billion -- in fiscal 1967, and sales for dollars were \$5.2 billion, a gain of more than 50 percent over 1961 and higher than our total agricultural exports -- commercial and concessional combined -- in any year prior to 1964.

The U.S. now accounts for 37 percent of world wheat trade, about half of world feed grain trade, and over 90 percent of world soybean trade.

Favorable world weather and near-record crops in virtually every nation for two years have had their effect on our exports, and on domestic farm income. But this year and last have been exceptional weather years worldwide, not likely to continue uninterrupted.

Last year (1966) gross farm income set an all-time record, as did net income per U.S. farm. National net farm income climbed to \$16.4 billion

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the second highest in the history of the United States, a 40 percent rise over 1960 and 18 percent higher than a year previous.

This year, net farm income will decline some 10 percent from last year's high, although it will still be substantially above levels of most years of the 1950-1960 decade.

This, of course, is terribly disappointing, and no one is more disappointed than the Secretary of Agriculture. As Mr. Dooley once said to his friend Hinnissey:

"When you build your triumphal arch to your conquering hero, Hinnissey, build it out of bricks so the people will have something convenient to throw at him as he passes through."

The bricks hurt, gentlemen.

What has taken place over the past year is ironic -- but we have always recognized the danger. A year ago the evidence on world food production and supplies was most unfavorable. The monsoons in India were failing for the second successive year, short crops in the Communist countries had required large purchases from Western exporters. The disappearance of excess stocks in the United States and an unfavorable wheat yield outlook contributed to the uncertainty. The world was clearly in a short grain supply position.

As a result, after a careful assessment of probable world needs in the 18 months ahead, the national wheat acreage allotments for the U.S.

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1967 crop were increased sharply. Action was taken to increase acreage in feed grains and soybeans as well.

Then within a few weeks after these decisions were made, the world outlook changed sharply with favorable prospects in almost every major grain-producing country.

Canada, Australia and the Soviet Union harvested record wheat crops. Argentina and Western Europe harvested good crops of both wheat and feed grains. Feed grain harvests in Eastern Europe were good and a few months later South Africa produced a record corn crop.

In the U.S. we have a record grain crop in 1967, with an overall increase of from 4 to 5 percent. The 1967 feed grain crop is up 12 percent, wheat crop up 19 percent, and rice and soybeans are up 7 percent over 1966. Cotton, on the other hand, is down 16 percent and there's been a substantial drop in the 1967 fruit crop.

Although demand expansion and somewhat lower prices will lead to some increased domestic use -- particularly in feed grains and soybeans -- as well as larger exports, some increase in carryover stocks will occur for these two commodities, as well as wheat.

The cotton crop, down some $5\frac{1}{2}$ million bales below expected utilization this year, may well reduce next year's carryover to under 7 million bales, compared to $12\frac{1}{2}$ million bales this year.

Until milk utilization prospects become clearer, it is difficult to make production and price projections. The five percent drop in commercial

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utilization this year is the greatest in U.S. dairy industry history. If any of you have a theory as to the "why" of this situation, I would like to hear from you. As you know, I am deeply concerned over the low milk prices farmers are receiving. Yet consumption has dropped while our population continues to climb.

This, in short, is the situation in the major commodities. Now, what are we doing about it?

As I said earlier, we do not yet have control of the weather, nor do we even have an absolutely foolproof system of predicting it. As a result, we realize that our best estimates of production may, at times, miss the mark. Someday, with a global system of satellite stations reporting daily on crop conditions around the world, we will do better. But for now we have to work here on earth to refine our forecasting and to take action -- based on the best information available -- to bring supply and demand into closer balance.

This is what we're doing this year with our New Era farm programs. In contrast to a year ago, the world grain position is strong. Therefore, we are acting to tailor supply to demand in order to increase farm prices and prevent costly surpluses.

The first of these adjustments, for wheat, was announced on July 7. The 1968 program should reduce the harvested land by some 5 million acres below this year's level.

This will assure us an ample supply of wheat to meet all needs, foreign and domestic, commercial and concessional. It should result in

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total wheat income for 1968, some 500 to 600 million dollars higher than in the years prior to the Food and Agriculture Act of 1965.

Two weeks ago last Friday, I made a similar announcement for the feed grains. Our target is to divert about 30 million acres from production -- some 10 million more than in 1967 -- in order to change this year's 2 to 3 percent overproduction to a 2 to 3 percent underproduction in 1968.

Fulfilling this target, of course, depends upon a great many factors, not the least of which is grower participation. With good cooperation, we estimate producers will receive more than \$400 million more feed grain income than in 1967, and nearly \$200 million more than they did in 1966, which was an all-time record income year.

We're also making changes in cotton.

When the four-year cotton program authorized by the Food and Agriculture Act of 1965 went into operation, we had an all-time high carryover of 16.6 million bales of upland cotton. We wanted to reduce this to normal carryover levels, to improve producer income, keep cotton competitive and reduce government expenditures.

We had extremely high farmer participation in both 1966 and 1967 programs. This -- coupled with an abnormal weather cycle and insect infestation -- accomplished the supply adjustment in two years rather than the expected four. At the same time, cotton has been kept competitive with other fibers, farm income has improved and, as you also know, government expenses have been materially reduced.

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The national marketing quota for cotton has been increased to 16.1 million bales, to encourage more production of the medium and longer-staple cottons that are in highest demand. With the new cotton promotion program now manned and getting underway, the outlook for producers is looking up.

I have gone into some detail on our recent actions for this reason: I feel that our programs, domestic and Food for Freedom alike, are in a critical period in a number of ways. It is of greatest importance that they be more completely understood. In contrast to 1961 through 1966, a period of acreage reductions and stock drawdowns, 1967 marked a turn-around point. Modest rebuilding of stocks was thought to be necessary, for with surpluses eliminated we are operating our programs without the cushion of security those stocks provided. For those who don't follow world conditions closely, such a turn-around may be hard to understand -- especially when unexpected weather intervenes and we are forced to reverse field and again reduce acreage.

The market has been jumpy for over a year. In my opinion, it over-reacted to last year's rumors of shortages and over-reacted again this year, when supplies are ample, but not burdensome.

Clear understanding is vital if we are to achieve a workable national food budget. So is improvement. These are two areas in which I solicit your help and that of your colleagues.

I am most anxious to receive your suggestions for strengthening our present programs to make them more effective. I had hoped to be able

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to discuss such an action today -- the Purcell bill for strategic reserves, that would have enabled us to raise the incomes of grain and livestock producers in 1968. Unfortunately, this legislation was killed in a subcommittee of the House Agriculture Committee two weeks ago.

It has been evident for some time that there is a limit to the amount of grains the commercial trade will carry without forcing prices down. Millers and exporters are naturally reluctant to buy and hold grain when bumper crops might lead to lower prices. It is equally evident that there are limits to what the present New Era voluntary farm programs can do in tightening down over-supplies, the proximate cause of recent price slumps. Obviously we can't take a chance of running out of grain completely.

Had the Purcell bill been enacted, in the future the Secretary of Agriculture could have adjusted annual supplies more closely to market needs -- with resultant stronger prices for the farmer and with no danger of shortage for domestic consumers or overseas markets. Both must concern him now. In bumper crop years the government would have been able to buy grain, firming up prices; in short years, supplies could have been sold under the most carefully prescribed conditions. It would have been another valuable tool to make our national food budget system work effectively.

Unfortunately, it was voted down. The statements of those who killed it make it clear that partisan politics, rather than the welfare of American farmers, carried the day.

If the bill had passed, I believe it would have strengthened market prices not less than 10 cents per bushel for wheat and feed grains,

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resulting in from \$300 to \$500 million in additional income for farmers. It is significant that, upon its defeat, the wheat market reacted sharply downward.

I hope that every farmer in the United States noted this partisan action and will remember it, for the negative vote has the widest implications.

On March 16 of this year, a bill was introduced to abolish price supports, acreage allotments, and base acreages for wheat and feed grains -- in effect, to abolish the present programs altogether. Since this time, 20 additional bills, identical or virtually identical to this bill, have been introduced. Clearly the enemies of farm programs are poised to strike.

At the time the wheat and feed grain programs expire, around the end of 1969, so do the wool payment program, the dairy milk base plan for federal order markets, cropland adjustment, and some provisions covering cotton diversion and price support payments.

Anyone who thinks these other programs will stand if the wheat and feed grain programs are abolished is, I believe, badly mistaken. They won't, and this goes for the rice, tobacco, and several others as well.

And so the classic choice facing us next year and the year after, is between workable programs and no programs at all, with the deepest implications for farm income, commercial sales and Food for Freedom.

I don't think we should seriously pursue the chimera of a return to mandatory programs. It is true that if we had them, they would cost far

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less than the present voluntary programs, with strict controls on a bushel, bale, and poundage basis. But both the Congress in 1962, and farmers, in 1963, have rejected this approach. As a practical matter, for most commodities, it's a dead issue.

So there aren't three choices ahead, there are only two.

Most of you are familiar, I'm sure, with the recent study by Dr. Wilcox and his colleagues titled "Farm Programs Needs, 1968-70," and so I won't repeat it in detail. Its main findings point to an approximate one-third drop in net farm income in the absence of support and diversion programs for wheat and feed grains.

I'm sure you're equally familiar with the study done by the Center for Agricultural and Economic Development at Iowa State University upon commission by the Food and Fiber Commission. This report says that by 1980, in the absence of programs, wheat would sell for \$1.27 a bushel with no certificates, corn at 75 cents a bushel with no payments, cotton at 17 cents with no payments, and soybeans for around \$1.23 a bushel.

I have seen no serious refutation of these findings, but there are a great many who feel that, somehow, we can find our salvation in an unlimited overseas concessional market. Unfortunately, this isn't true.

First of all, the amount of food that can move in aid programs is limited by several very practical factors. These include the ability of the developing nations to handle such food -- dock, storage and distribution facilities -- the amount that can be absorbed without complete dis-

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ruption of their own agricultural development, and the extent to which political leaders in these nations will permit their countries to become dependent on U.S. food.

On agricultural development rests all subsequent economic development in the less-developed nations. The Congress wisely recognized this basic truth when they wrote self-help requirements into the new Food for Freedom legislation, making it very clear that aid must help -- not hinder -- development. Hence, food aid must be used with skill and economic understanding as well as compassion.

Second, the mirage of an unlimited overseas demand overlooks the findings of a recent USDA long-range study of the world food situation through 1980, one that showed more continuing world capacity to produce grain than effective world demand can absorb at stable prices. Strong competition in commercial markets will continue and so will the potential for overproduction, for a long time to come.

Some of you may disagree with my analysis this morning of the world and national agricultural situation, and the tools we have devised to deal with the problems besetting us. But few of you, I suspect, would minimize the magnitude of the problems themselves, or believe that blind change, slogans or dogma, are sufficient to meet and solve them.

And so I would close by impressing upon you, to the best of my ability, the strong sense of urgency I feel for the two years immediately ahead. In 1968 the Nation will make its decision on whether or not to ex-

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tend existing P.L. 480 legislation. In 1969 -- or perhaps in 1968 -- it will similarly determine the fate of the Food and Agriculture Act of 1965. Both are -- and will be -- under heavy attack. The President's position -- and my own -- are clear. We stand in support of these measures for the reasons I have listed this morning.

By using them, and by improving them, I am confident that we can meet both the Nation's obligations to its farmers and our obligations to a hungry world. In the debate that will rage in the next months and years, I would ask for your leadership -- that you separate the wheat from the chaff, the emotional from the intellectual, the fact from the fancy. If we do this, I am confident that a national food budget -- viable, workable, economic -- can and will be a reality. And as it does, the Nation will meet its responsibilities to its producers and to the world.

My fellow prophets, thank you.

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We can all agree, I think, that we are living, as Charles Dickens once put it, in the best of times and the worst of times.

We have in this nation blessings greater than ever before, and we have what many feel are problems greater than any before, problems that to some defy solution.

There may even be a satisfaction of sorts, a sense of martyrdom, in feeling that we today are confronted with more and bigger problems than any generation in American history.

But I think history shows that our problems are no greater than those of, say, the days of the Continental Congress, the Civil War, or the Great Depression of the '30s.

They are only different problems, requiring different solutions, perhaps, but calling for the same resiliency of spirit and the same steadfastness of purpose that have been the hallmarks of this Nation's existence since the deliberations of the Founding Fathers.

We all know that these problems -- these challenges -- of today are the result of technological, social, economic and cultural

Address by Secretary of Agriculture, Orville L. Freeman, at the Mid-American Conference on Evangelism of the Lutheran Church in America, Omaha, Nebraska, 8 p.m., November 17, 1967.

changes that have hit us in what seem to be geometric proportions in the past 20 or 30 years.

I would like to discuss briefly with you where rural America stands in this whirlwind of change, how it got there and what the implications are for you and me.

Then I want to tell you where I think we as a nation must go from here -- where we can go if we put our minds and hearts to the task.

Four figures from the Bureau of the Census are of great portent, I think, for our time.

About 1915, 139 years after the Declaration of Independence, the population of America reached 100 million. On next Monday, November 20, 52 years from 1915, our population will reach 200 million. Expectations are that by the year 2000, less than 33 years from today, the population will be at least 300 million.

Well, so what? We added 100 million people in 52 years, we can add 100 million more in 33 years.

We can; and we will. But there is a fourth population figure that has been reposing in census records like a time bomb since 1917. It is the calculation which shows that in about that year, the year we entered World War I, for the first time more Americans lived in urban areas than in the country.

The trend to the cities continued, accelerated by the war, by the Dust Bowl of the '30s and by the impact of an unprecedented technological revolution in American agriculture.

When the Census of 1920 confirmed that this nation was more urban than it was rural, one American farmer produced enough food to feed eight persons. Today the American farmer produces enough for almost 40 persons. His productive capacity has increased by 25 percent in just the past seven years, and it continues to go up.

This technological revolution has resulted in larger farms, fewer farms, and in fewer job opportunities in the countryside that once supported the majority of the people.

Young people, and many oldsters too, have had no choice but to join the march to the cities in search of economic opportunity, until today 70 percent of Americans live on just over 1 percent of the land, and 30 percent are rattling around on the vast remainder.

From 1940 to 1960, 17.4 million persons left farms or the farming way of life. This in turn hit small town America, dependent on the needs of farmers and farm workers for its commercial life.

The total exodus from the countryside -- from small town and farming America -- since 1950 has been 20 million people.

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And the march to the cities continues. It has slowed somewhat, but it is continuing at the rate of 500,000 to 600,000 a year, adding that many living, breathing bodies to the $2\frac{1}{2}$ million yearly that are crowding into our already glutted urban areas by virtue of natural population increase.

And the migrants are leaving behind a countryside of dwindling economic and human resources, resources crucial to supporting the business places, the professions, the schools, the civic institutions and the churches so essential for adequate living.

In the 10 years from 1948 to 1958, 684 Lutheran congregations in town and country areas merged or were closed.

Rural America has one-half as many doctors and one-third the dentists, proportionately, as urban America.

Rural America, with about one-third of the people, has half the nation's poverty, and half of its poor housing.

Between 1945 and 1960, national economic growth created more than 13.5 million jobs in the United States -- in effect, all in the cities because what business expansion there was in rural America was offset by the losses in agriculture and other land-based operations.

For every 177 rural youngsters who reach working age today, there are only 100 jobs in Countryside, U.S.A.

Twenty-two percent of all rural 5-year-olds in 1960 were in kindergarten. In the cities the figure was 46 percent. The average rural teen-ager completes about nine years of school, his city cousin more than 12.

You and I have seen these figures translated in stark terms: the weathered, abandoned farm houses; the weeds standing tall around the empty church, the boarded up store front, the growing ratio of older people on Main Street.

This is what the departure from town and country America is doing to the countryside.

What has it done to the big cities?

It has compounded existing conditions of pollution, congestion, discord, unemployment and despair, and added to the problems of urban officials groping for solutions to problems of overwhelming proportions.

And you need look no farther than your television screen or your newspaper to see what this pile-up of people means: riots, fires, looting -- the instruments of desperate people, crowded, with no hope, into the ghettos of many of our cities.

The cost of this existence of discontent has been measured in millions of dollars and in scores of lives, but what of the cost to the human soul?

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Dr. Edward T. Hall, a noted anthropologist, has contributed an interesting thought in this regard. He notes that every organism, including man, needs what he calls "a sacred bubble of space, a bit of mobile territoriality which only a few other organisms are allowed to penetrate, and then only for short periods of time."

Dr. Hall relates this doctrine to life in the slums of America's cities, cities in which people are battered by such forces as overcrowded housing, freeways, noise.

Then he continues: "If man's bubble is crushed or dented, or pushed out of shape, he suffers virtually as much damage as though his body were crushed or dented or pushed out of shape. The only difference is that the effects take longer to make themselves evident."

The result of this assault, of the incredible overcrowding in our cities, is this, according to Dr. Hall: "... Family life disintegrates, social customs and the rituals which temper aggression are thrown aside, the implosion of population into our cities is creating 'behavioral sinks,' like Harlem and Watts, potentially more lethal than the hydrogen bomb.

"If the problem of such ghettos is not solved, they may well destroy us by making our cities uninhabitable."

Dr. Rene Dubos, Nobel Prize biologist, said this: "The impersonal relationship of people in our cities is producing a gross

impoverishment of individuals which could lead to the death of this civilization."

Dr. Dubos was not talking about ghettos only. He was speaking of city life in general. And anyone who lives in suburbia, as I do, knows that it can be just as impersonal, just as isolated, and just as frustrating as life in the inner city.

It may be isolation and frustration riding first class, but there is nothing ennobling, nothing of graceful living in following the exhaust pipe and bumper ahead of you along eight miles of billboards, junk yards, and clamoring hot dog and hamburger signs as you go to and from work each day.

I mentioned the census time bomb of 1917 -- the shift of this nation's population from rural to urban -- and that bomb today ticks every $8\frac{1}{2}$ seconds as a new American is born. There will be 100 million of these new Americans by the year 2000.

Where will they go? Where can they go to find the opportunity for a good life of their choice?

The alternatives today are a decaying countryside or an exploding city. We are, in my opinion, sitting on a time bomb of imbalance, an imbalance of land and people that threatens the very foundation of our nation.

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I believe that achieving a proper balance of land and people -- what I call rural-urban balance -- is the most important challenge of our day, and I believe that it must be met first in rural America and small town America, in what our church calls Town and Country.

If we do not provide the jobs, the opportunities in town and country, those 100 million new Americans will have no place to go but to the cities.

They will have no choice but to strike out for the place where they have at least a chance for economic, if not spiritual, survival.

And when we talk about 100 million new Americans, we are talking not about statistics, but about your sons and your daughters and my son and my daughter, and their children, and their cousins -- we are talking about human beings who deserve the same chance for a choice that you and I had.

And make no mistake, time is running out. The year 2000 is not far off.

While you and I slept on the night of September 1, the circling earth turned into the last third of the 20th Century. We are on the final transit of the voyage to the year 2000.

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But in a very real sense, we are already there. St. Augustine put it this way: Time, he said, is a threefold present: the present as we are experiencing it, the past as present memory, and the future as a present expectation.

By that token, the future as present expectation, you and I -- and every thoughtful American -- are standing today with both feet in the year 2000, because what we do now, in 1967 -- the decisions we make and those we don't make -- commit the future, commit our children and grandchildren of the year 2000.

So we must act now, while there is still time to act.

The challenge is for nothing less than a total national commitment to rural-urban balance, to the purposeful, proper use of this nation's space, space that stretches across a green meadow to the grey granite of a distant mountain for some, and across a littered sidewalk to the curbside trash can for all too many others.

I do not believe that a depopulated, decaying countryside is inevitable for the year 2000, nor that congestion, pollution, discord and strife are the destiny of our great cities.

If I believed that, I would not be here addressing you today. I believe that we can build a different America, and I am here to enlist you as evangelists in the cause of restoring to town and country the opportunity that is being denied young people --

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and older ones, too -- who want to stay there but can't, and of restoring the opportunity that is being denied those who were forced from the countryside and who want to come back.

And I am talking to those of you from the cities as much as to those of you from the small towns and the farm, for, like it or not, we are all in this together -- city slicker and country boy alike.

The consequences of poverty, pollution, decay, racial strife and dehumanized living affect the quality of life for us all -- for every American, for the comfortable and the uncomfortable.

The mother standing, wistful, in the empty room of a son or daughter who packed up reluctantly to seek opportunity in the city and the mother trying desperately to bring up six children in three rooms fronting on a traffic-clogged street, each has a stake in what I am talking about.

There is no place to hide. We must end what I consider to be a tragic waste of land, and of people.

And it can be done. It is being done in scores of small towns and small cities and in dozens of counties today. I know this because I have seen it on what I call Town and Country tours that I have made in a dozen states this year.

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I have made five trips, and I have come back from each one encouraged, enthusiastic over what dynamic, determined local people, working with private business and with their governments at all levels, have accomplished.

I don't think anyone in this room could visit in Congaree, South Carolina, or Tupelo, Mississippi, or Centerville, Iowa, or Hearne, Texas, or Louisville, Georgia, to name a few, and not come away impressed by what these local people have done to enhance living conditions in their communities, and to provide job opportunities to keep people there and to attract others.

I will tell you about just one, one that I consider to be an almost storybook example of what I am talking about.

It is the Congaree Iron and Steel Company, a steel fabricating plant in a rural area not far from Columbia, South Carolina. This plant was started as a roofless assemblage of second-hand machinery in 1957, with a work force of 10 previously unemployed Negro men. Today it has an annual payroll of more than \$1.5 million and employs almost 400 persons -- men and women who would have been prime candidates for the march to our over-crowded cities.

When I toured this plant in September with W. R. Threatt, president of the company, he told me that his sole purpose at the outset was to start a business and make money.

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He has succeeded in this, but what has happened at Congaree since 1957 is nothing short of an economic and sociological miracle for the entire community, a miracle performed by the economic impetus of this one industrial endeavor.

Congaree today has two new schools, three new filling stations, a bakery, two new laundries, 75 new homes bought or built by employees, a small shopping center and two new churches.

Because this community today offers jobs and the opportunity for leading decent lives, young men who had left for the big cities in "droves," as Mr. Threatt described it, are returning to work and live in Congaree.

The publicity surrounding my visit resulted in several letters to him from people in the cities who had been forced from the community by lack of jobs and who wanted to come back.

I am happy to report that they are coming back, that Congaree Iron and Steel can offer them jobs.

There are, as I have said, scores of Congarees around the nation, but we need more, we need the dedicated efforts of every American to improve his particular corner of the nation, to do what he can to make it a place where young people want to stay, where young people can stay and live out what I would call a gracious life.

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We have prepared a statement in the Department of Agriculture, a statement of policy, looking toward the communities of tomorrow, to the year 2000.

It contains a vision of an American countryside of renewed communities -- broadly based, patterned on geographic and trade lines -- each with its own industries, jobs, recreational, cultural and medical and educational centers, and each with its prosperous farms.

It envisions American cities rising above this landscape, free of discord and pollution, free of despair, and it envisions 300 million of us living where we choose, at ease with each other and with our environment.

We can have this America, but it will take brainpower, willpower, imagination -- and hard work -- on the part of people like yourselves, on the part of every thinking American.

But what can you do? What can one Lutheran in one town do to affect the course of life in the United States of America?

You can do this: You can go home and be an apostle of change for your community -- change for the better.

You can work through community development groups to attract the kind of job-producing enterprises your communities need.

You can sell businessmen on the natural resources and recreation opportunities in your town.

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Show them clean communities, effective, active civic groups.

Show them good schools, churches and parks -- the things that prove you care about your future.

And there are people to help you. We in the Department of Agriculture have organized what we call Technical Action Panels in every state and in most of the counties.

Comprising the senior officers of USDA and other Federal agencies in each locale, they were formed to help local leaders, local people, build the communities of tomorrow.

They are there to provide advice, and technical help, so use them.

They can tell you what government programs are adaptable to your community's effort to lift itself to a new level of living, what natural recreational resources might be developed for an economic return, and how.

I dedicated a 43-acre lake in southern Indiana last summer where there had been no lake before. A real beauty spot, it was created by the initiative and hard work of dedicated local people, acting in concert with their government.

It not only enhances the quality of living for the people of that region, but it is expected to be the base for a considerable tourist business.

A man with whom I visited after the dedication, said this about the project: "It is not going to help me, but it is something that is going to help keep my children living here, so I'm all for it."

That spirit, the spirit that says the next generation is the one we've got to help, is the spirit needed to meet the challenge of restoring a proper balance of land and people to this nation.

And to help the generation of tomorrow means involvement today. It means jumping in with both feet into the problems of your community, rural or urban, and lending a hand in solving them.

Jesus Christ was involved. He knew what life in His community was about, and He acted to change it.

I know that in this day, in this America of ours, we feel helpless, powerless in the face of national and international events that seem beyond our reach.

Ours is a vast and complex society. It is difficult to know where you fit in -- or if, indeed, you do fit in. It's hard to identify a community or something you can call a community. Who are your leaders?

My answer to this question is that we are our own leaders -- this American doctrine, a doctrine set forth by brave men for brave men, says that this nation is no better than its humblest citizen; it says that what we do to -- and for -- the man next door, the man across the tracks, determines what this nation is.

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It says that how each of us lives is important, that each of the 200 million of us affects all the others.

It says that we are on our own, and it says that we can meet today's problems and tomorrow's challenge, the challenge of preparing a proper place for 100 million more of us.

I know that we can do this because it is not possible to travel this land, as I have been doing, and to meet its people of many accents, many colors, and of many life experiences without being profoundly moved by the potential in this nation.

I think a reporter, a young man from New York who was in the group on my visit to South Carolina and Georgia in September, captured best what I am trying to say.

"This trip has been a profound experience for me," he said on the plane returning to Washington. "I didn't know this country before Now I am beginning to know it -- and to understand what makes it great."

This is a great country, a great people who have met and conquered many challenges, and who will meet and conquer many more.

I know that all of us here tonight are concerned about the one over-riding challenge at this point on the wheel of our nation's time -- that of Vietnam.

It is an unpleasant and terrible challenge that resounds in the jungles of that embattled land 10,000 miles away and echoes down every street and every country road in America.

It demands the sober, prayerful attention of every American, for each of us must seek our own answers to the crucial questions involved.

Emotionalism, exhibitionism -- throwing one's self at the Pentagon doors -- contribute nothing to these answers.

They becloud the search for the facts -- and without facts there can be no opinion, only prejudice.

To me, what is at stake in South Vietnam is the life or death of that Nation -- and of a score of other Nations in Asia.

I have talked with some of the leaders of these Asian countries. They are desparately concerned over the Chinese threat, and, almost to a man, they back what we are doing in Vietnam.

And they are not alone.. A member of my staff -- a former newspaperman -- told me of an interview he had with a Lutheran pastor in Hong Kong a year ago, a pastor who had been in Southeast Asia for six years.

This Christian man, who had founded a school in Hong Kong and who commuted 1,000 miles to Bangkok, Thailand once a month to preach, applauded our decision to honor our commitment in Asia.

He told the interviewer that our presence in Vietnam had saved Indonesia from Communism, that it had blunted the Communist Party in Japan, and that it was a source of hope to people of other nations needing time to build their own social, economic and political systems -- time to build to where they themselves can keep Peking-Oriented Communism from spreading throughout Asia.

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These people know that an aggressor stops where you stop him, not where you wish he would stop. And we know it, too -- if we remember such places as Okinawa, Normandy Beach and Korea.

We all want peace, and most of us pray for it, I hope. But I, for one, do not want peace at the expense of the American tradition of helping the weak, and of the American principle of freedom. And I do not want peace in Vietnam in 1967 at the expense of world peace in 1987.

Nor does President Johnson, who has been earnestly seeking peace with honor for four long years.

The challenge of Vietnam is an excruciating test of that resiliency of spirit and steadfastness of purpose of which I spoke.

And I am confident that we will meet that challenge and will conquer it in the manner that we have met those past and will meet those still to come. We will meet it as human beings doing our best for other human beings -- building, as President Johnson said, brick by brick in the heat of the day.

I can think of no better approach to this task for you and for me than that of the Chinese Christian who daily said this morning prayer:

"Lord, reform Thy world, beginning with me."

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IN UNION THERE IS STRENGTH -- "LABOR CAN DO IT, WHY CAN'T YOU?"

When the Grange was born -- 100 years ago -- this country was made up of less than 37 million persons. Six out of seven lived east of the Mississippi River. Two out of three were rural, one out of two lived on the farm.

Agriculture in 1867 faced the task of adapting to revolutionary changes. The Civil War had created an unprecedented demand for food -- but it had cut deeply into the supply of labor. Over half a million young men had died in the war. In the South agriculture lay shattered. Thousands of farms had been destroyed, thousands of farm owners killed.

At the same time, new tools and new techniques were changing agricultural technology. Farmers bought the new machinery, opened new lands, and -- with high hope -- made the great leap from subsistence to commercial agriculture.

But soon the individual farmer discovered that by himself he was powerless to command a fair return in the marketplace. In one famed instance a load of grain bought a pair of boy's shoes -- that's all. Debts were heavy and interest rates ran as high as 20 percent.

In desperation farmers turned to organization -- they formed and joined the Patrons of Husbandry, now the National Grange -- in the belief that in union there was strength.

Address by Secretary of Agriculture Orville L. Freeman before the National Grange Centennial Convention, Syracuse, New York, 9 p.m., November 18, 1967.

And they were correct. In union there was -- there is -- strength.

The 100-year history of the Grange is proof of that. The Grange played an important role in winning agriculture a seat in the Cabinet in 1889. It was in the van of the fight for better highways, rural mail delivery, parcel post, farm credit, rural electrification, experiment stations, farm research, extension and vocational agriculture, conservation and forestry.

Farmers banded together in the Grange to improve farm prices and income and to exert market power through group action -- and out of these early efforts has grown the concept of present-day commodity programs.

Today, again, American agriculture faces the task of adapting to revolutionary changes.

In the final third of this amazing Century of Change, "group action" by farmers is even more necessary than when the Grange began.

The market forces against which farmers contend are more formidable by far.

The challenge to rural America is immeasurably graver.

And once again the clarion call goes forth: Unite -- unite -- unite!

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You of the Grange and your fellow farmers have built in this country the most productive agriculture ever known.

It is the bedrock of our economy of abundance.

It is the keystone of prosperity in rural America.

It is the world's number one weapon in the war against hunger.

But farmers are not equitably sharing in the fruits of their achievements. They are, in a sense, subsidizing the whole American economy.

It makes no sense that consumers should be paying a good 20 percent more for food than they did two decades ago -- while farmers get 6 percent less for producing that food -- and pay 30 percent more for the supplies to produce it.

It makes no sense that with net income per farm last year up 70 percent over 1960 farmers should still have less than two-thirds as much income per capita as nonfarmers.

It makes no sense that after climbing to \$16.4 billion last year farm net income this year should be down 10 percent. Sure, it's still a good one-fourth more than in 1960 -- but the plain fact is that the American farmer is getting less for producing more. He thinks that's unfair -- and so do I.

The price-killing surpluses are gone. Commodity Credit Corporation commodity loans and inventories were reduced from \$7 billion on June 30, 1961, to \$3.4 billion on June 30, 1967.

With help from the Grange, farmers have been given the best commodity programs they've ever had. Most of these programs are voluntary and farmers are freer to make their own production decisions -- to do their own planning -- than at any time since the 1930's.

Then what's the trouble? Well, I can think of several reasons why farmers are not sharing fully in the national prosperity and, specifically, why farm income dropped off this year.

1. Last year's record world grain crop. We couldn't complain about that. It was needed. But this is another record crop year.

In the United States, total production of wheat is expected to reach a record 1.6 billion bushels, 19 percent above last year's total. Corn prospects are at a record 4.7 billion bushels, 14 percent above 1966.

Sorghum grain production is forecast at a record high of 775 million bushels, up 8 percent from a year ago. And rice production is estimated at a record 89.4 million hundred pound bags, 5 percent above last year. And I might point out that soybean production is also at a record level, an estimated 6 percent over last year.

Compounding all this is the fact that big crops are forecast throughout the world, making this year's harvest perhaps the "Harvest of the Century." Total world grain production this year is expected to be 3 to 4 percent above the record established last year.

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This world-wide grain production explosion is resulting in heavy downward pressure on prices.

2. Over-production of beef, hogs, poultry, and eggs here at home. This was not needed.

3. The fact that about 60 percent of farm cash receipts comes from the sale of crops and livestock that are not protected by farm programs.

4. The inability of producers to bargain effectively in the marketplace.

We've gone about as far as we can under existing programs. Further progress toward parity of income for farmers will depend primarily on what they can do for themselves through group action -- on their ability to maintain supply-demand balance -- and on their ability to show some economic muscle at the bargaining table.

There have been many attempts to organize for group action in the past. But the very nature of agriculture poses great difficulties.

Production of most important crops is scattered through many States. It's geographically hard for producers to get together. Moreover, farmers have always prized their independence. Another important factor is that farm commodities, unlike labor, are mobile. They can be shipped quickly and economically over great distances.

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Thus, it's extremely difficult to develop farm bargaining organizations able to exercise effective control over widely grown farm products.

Does this mean that effective farmer bargaining power is hopeless? Not at all.

Many of the conditions which previously made group action difficult have now changed. There is a timeliness in the issue which has never before been present. More farmers now see more clearly what their lack of market power is doing to them. They see that in an economy marked by increasing organization of labor, of business, of teachers they are the least effectively organized of all.

Thus, there is today a great psychological drive for farmers to achieve more control over their economic destiny.

The October Farm Journal, for example, asks its readers point blank, "Labor can do it ... why can't you?"

It has been said that there is no force in the world greater than that of an idea whose time has come. Group action to achieve market muscle is an idea whose time has come.

I do not mean to imply that it will be easy to achieve the goal. Many sizeable difficulties must be overcome. But we are in dead earnest about helping the American farmer explore the possibilities of developing machinery that will give him power proportionate to that of the forces he must deal with in today's market place.

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I've been the target for quite a few dart throwers in recent weeks -- people who warn solemnly against the "heavy hand" of government in USDA proposals for farmer collective action.

The funny thing is we've made no firm proposals -- not one. We are simply asking for dialogue. We are encouraging farmers and farmer groups to investigate possibilities. I should be used to it now, but I must say I'm a bit weary of people putting words in my mouth.

It reminds me of the railroad superintendent back in Minnesota who got a note from one of his foremen. It said, "I am sending in the report on Casey's foot, which was damaged when he hit it with a sledgehammer. Now there's a place on this report for Remarks. Whose remarks do you want ... mine or Casey's?"

Well, it's most irritating to have others trying to put words into my mouth, but it's also amusing to see people so anxious to get into a fight with the Secretary of Agriculture. I'm thankful that most of their darts are dull and their charges hackneyed.

Let me repeat -- we've made no specific proposals. But we are encouraging thought and discussion. We've been holding a series of commodity meetings to discuss possibilities for group action. We have already met with the principal producers of eggs, sugarbeets, dry beans, fruits, vegetables, and hogs.

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Many of these commodity leaders find themselves coming together for the first time with other leaders whom they had never met before. What is more significant, they want to keep on meeting. The thing they are all agreed upon is the need for farmers to organize in some way for more effective group action.

Competition in the food industry is competition among the strong -- and farmers presently are not strong.

Most of the food industry is concentrated in the hands of a relatively few firms. In the manufacture of breakfast cereals, for example, the top four firms have 85 percent of the business. In food retailing, the largest four retailers in a city typically have about 50 percent of the business.

On the other hand, farmers are so numerous and their individual output so small that no one of them can exert much effort on total output or price. Even where production is relatively concentrated, the number of producers is still enormously larger than the number of buyers.

According to the 1959 census, fewer than 1,600 farms produced 30 percent of the nation's potato crop. About 2,600 farms produced 47 percent of the vegetables, and fewer than 3,700 farms produced 32 percent of the fruits and nuts.

In contrast, only 20 firms account for more than half of the output of the canning industry. And only 20 firms account for more than two-thirds of the output of the frozen products industry.

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Obviously, individual producers are in a disadvantageous bargaining position. Many farmers, consequently, have turned to cooperatives, bargaining associations, marketing orders, and other arrangements to assure themselves a larger voice in the market place. These efforts have met with varying degrees of success. Where production is regional and members of an association produce a substantial share of the total output, fairly effective results have been achieved.

For example, almost 100 percent of the lima bean crop is marketed by the California Lima Bean Association. Prices paid for large lima beans are more than double the national average price for all classes of beans.

This very city is headquarters for one of the largest cooperatives in the world, Agway Cooperative, Inc., an organization whose diversity extends from the traditional marketing and farm supply sector to supermarkets, canning, insurance and transportation. By combining adequate resources under one management, Agway, for example, has improved services to farmers through the development of a decentralized and more efficient feed manufacturing and distribution system. It also has taken the leadership in acquiring for farmers a major fruit and vegetable processing and sales organization.

Milk producers have made considerable progress in developing organizations for bargaining and cooperative marketing. Some 1,200 cooperatives market about two-thirds of all the milk sold to plants and dealers -- and about 50 cooperatives market roughly half of this volume.

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The bargaining power that milk producers presently have is exemplified by the fact that in about one-third of the Federal order markets producers have been able to negotiate prices in excess of the minimum prices established under the orders.

A good case in point is the recent success of Associated Dairymen, an affiliated association of milk cooperatives acting together, in holding a fluid milk price 50 cents above the Federal marketing order level.

But producers of many other products have little or no collective bargaining power.

Take broiler production. More than 95 percent of all broilers are produced under contracts, mostly with feed companies and processors. Overall, cooperatives are not a major force in the broiler industry. There is no centralized voice for the broiler grower.

Growers complain about excessive prices for feeds and chicks, poor quality chicks, stale feeds, shortages between invoiced feed tonnage and delivered tonnages, lack of information on procedures in weighing birds for payment purposes, and so on.

Differences in contract terms are sometimes very large. Recent studies of returns computed on an economic equivalent basis show that some growers have received 50 percent more than others.

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The broiler grower is faced with a highly imperfect market. There may be only one or two integrators with whom he may contract -- rarely, more than four or five. If he complains too much about the terms of the contract or about his treatment he is labeled a problem grower. His chances of obtaining another contract with that firm or with any other firm are very small. Failure to make a contract may be insignificant to the buyer, but it is essential to the producer.

Take livestock. Only a small proportion of all cattlemen appear to be active in organizations that specifically represent the cattle industry. Farmer cooperatives are not a major factor in cattle production or marketing -- in recent years only 12 to 15 percent of the cattle marketed have gone through cooperatives.

As for hogs, the swine industry is probably the least organized part of the generally unorganized livestock industry.

Is this disorganization among livestock producers inevitable? Is organization impossible?

I know a rather widespread belief exists that beef producers, for example, cannot be effectively organized. The argument is that the industry is too large and too diverse with cattle being produced on 70 percent of U.S. farms in every State in the nation.

This was undoubtedly true yesterday. But I doubt that it is necessarily true today. And I am convinced that it will not be true tomorrow. Times are changing. Communication is improving. The need for organization is growing ever more apparent. Economic pressures and a more realistic view of their own self interest is creating a new climate among farmers.

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There are increasing efforts on the part of cattlemen's organizations to persuade and educate producers to balance production with demand. I'm thinking specifically of a series of recommendations by the American National Cattlemen's Association, designed to achieve at least a 5 percent reduction in total beef tonnage.

It may be hard to organize the various segments of the livestock industry. But look at the variety of interests and skills in the United Auto Workers -- a tremendous diversity of workers joined into not only a nation-wide but an international union. Labor can do it -- why can't you?

From the dialogue carried on thus far, there appear to be five major goals to be sought if group action by farmers is to be effective.

1. Obviously, there must be greater participation by farmers in bargaining organizations. This is the sine qua non of the entire issue. Existing organizations need to be strengthened, and some new organizations need to be developed.

2. There must be a stabilization of farm product prices through effective control of supplies. This would follow from the organization of the now-fragmented farm sector.

3. Farm production and the sale of farm products must be organized to fit more exactly the requirements of the market. The food industry is geared for mass merchandising and large scale operation.

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It wants large volume in uniform quality and steady flow, and it is less and less willing to accommodate itself to the uncertain and piecemeal nature of disorganized farm production. Considerable improvement in efficiency with substantial cuts in cost can be made here.

4. Trade practices in the transfer of commodities from farmers to buyers need to be regularized. This involves quality standards, terms of delivery, length of contracts, and other non-price matters. The individual farmer usually has less information than those from whom he buys or to whom he sells. Hence, he may give up more than he needs to in bargaining over delivery schedules, credit, shrinkage, premiums and discounts, bonuses and allowances, grades, weights and inspections, and so on.

5. Farmers must seek substantial improvements in price over a period of time.

There is a growing belief that effective group action by farmers requires appropriate legislation to do for farm bargaining associations what the Wagner Act did for labor unions.

One idea is legislation to establish a National Farm Bargaining Board. This NFBB would serve farmers in much the same way as the National Labor Relations Board serves labor.

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Initially, the Board, at the request of a producer-group, would determine the boundaries, size, and composition of a "product-bargaining unit," based on existing marketing patterns. If more than one group vied to represent growers, the Board would supervise an election to be decided by majority vote.

It would then certify a bargaining agent and insure that processors bargained in good faith with it. The same legislation might provide that all producers would share the association costs, and that prices negotiated by the bargaining agent would be binding on all suppliers, once the price was ratified by growers.

Another idea, which might well work together with the bargaining board, is the broader use of marketing agreements.

Specifically we might ask for authority to include additional commodities under these agreements, to establish minimum prices and other terms under which handlers could acquire products from producers; and to make adjustments in producer allotments and for marketing quotas where necessary.

It remains to be seen whether farmers can come together enough to make either of these approaches to bargaining power really effective. But if, as I believe, this is truly an idea whose time has come -- they will. And farmers at long last will have the tools to get the income they need and deserve. In union there is strength.

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This approach, and others I've discussed this morning, are possibilities -- perhaps even probabilities -- for the future. But farm prices and income are determined in the here and now, and so now I'd like to discuss practical bargaining power initiatives of the immediate present.

You will remember that on February 20th of this year President Johnson called a National Farm policy conference in Washington. Your own Herschel Newsom attended, as did other farm organization and commodity leaders from throughout the Nation.

At that conference the President asked farm leaders to "give us your suggestions, your ideas, your counsel." The leaders did, and we have responded to their suggestions, doing our best to coordinate federal policy with the work of farm and commodity groups toward the common goal of higher income for producers.

In my opinion, this coordination and cooperation between the Department and most farmer-organizations has never been closer than it has in 1967. It is unfortunate that this year is one of record crops throughout the world, for if this had been a more normal production year, the effect of our joint efforts would have been much more visible than it has been.

As it is, the various practical measures taken to enhance the bargaining position of farmers have had considerable effect. These are some of them.

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* In June of this year, President Johnson proclaimed new quotas which are expected to hold annual dairy product imports to the equivalent of about one billion pounds of milk in 1968, compared with a projected rate of more than 4 billion pounds had no action been taken.

* The Secretary and members of his staff have repeatedly urged farmers to market grain prudently this year, and we've amplified this request through every means available to us, press, television and public appearances. We've backed up words with deeds, moving 6,700 storage units -- with $22\frac{1}{2}$ million bushels capacity -- from the Midwest to storage-deficit areas in the Southeast and Northeast, to allow more farmers to market their grain prudently.

* As you know, the President strongly supported the Purcell bill for strategic reserves, which would have enabled us to raise the incomes of grain and livestock producers in 1968. Unfortunately this bill was killed in a subcommittee of the House Agriculture Committee last month. It is gone, but not forgotten, and is worth examining in detail, since it bears directly on the subject of farmer-bargaining power.

It has been evident for some time that there is a limit to the amount of grains the commercial trade will carry without forcing prices down.

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Millers and exporters are naturally reluctant to buy and hold grain when bumper crops might lead to lower prices. It is equally evident that there are limits to what the present New Era voluntary farm programs can do in tightening down over-supplies, the proximate cause of recent price slumps. Obviously we can't take a chance of running out of grain completely.

Had the Purcell bill been enacted, in the future the Secretary of Agriculture could have adjusted annual supplies more closely to market needs -- with resultant stronger prices for the farmer and with no danger of shortage for domestic consumers or overseas' markets. In bumper crop years the government would have been able to buy grain, firming up prices; in short years, supplies could have been sold under the most carefully prescribed conditions.

Unfortunately, it was voted down. The statements of those who killed it made it clear that partisan politics, rather than the welfare of American farmers, carried the day.

If the bill had passed, I believe it would have strengthened market prices not less than 10 cents per bushel for wheat and feed grains, resulting in from \$300 to \$500 million in additional income for farmers. It is significant that, upon its defeat, the wheat and corn markets reacted sharply downward. I hope that every farmer in the United States noted this partisan action and will remember it.

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This avenue is closed, for the time being, but upon closure we immediately began exploring alternative routes to our goal.

Two weeks ago we announced one such action, adopting many of the suggestions put forth by Congressman Neal Smith of Iowa.

For some time now USDA has kept storable stocks of CCC feed grains off the market. Two weeks ago we announced our intentions for the remainder of the 1967-68 crop marketing year. CCC stocks will not be available at least until the 1967 crop under regular loan or resale exceeds the 6 million tons of overage expected this year, and even then at not less than the market price or 115 percent of the loan plus carrying charges, whichever is higher.

Next, in addition to the extension of resale privilege announced earlier for the 1967 crop, we've also announced that farmers with '64, '65 and '66 crops under resale loan will be able to resale these crops for another year following maturity dates, this in the spring and summer of 1968. So that farmers can extend this withholding into the 1968 season as flexibly as possible, they'll be able to move their 1967 farm-stored grain under loan or resale to commercial storage and convert it to resale under the commercial resale provisions just announced. This will allow continued holding of the 1967 crop and make farm storage available for 1968 production.

This is a new departure, one that should help tighten down supplies.

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And we've done more.

In the fiscal year that ended last June, we've moved 344 million pounds of meat, margarine and livestock products; 67 million pounds of poultry and large quantities of other products off the market and into various school lunch and other food programs. These, plus Food for Freedom purchases, will total about \$2½ billion this year. Through expanded Section 32 purchases, working closely with poultry producers and cooperatives, we're helping to step up the normal culling rate in poultry flocks by 10 percent this year, to tighten down on over-supplies of eggs.

All of these actions are a concerted effort to reduce supplies, coordinated with, and enhanced by our earlier actions reducing wheat and feed grain acreages.

All of these actions are practical, here-and-now bargaining initiatives. If we can keep them up -- and enhance them through concerted action by farmers, their organizations, cooperatives and government -- and then build upon this initiative with the new approaches to bargaining power discussed earlier, I am confident that we can meet our obligations to American farmers.

That is my goal. Thank you.

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Every farmer in America is important.

No matter how you classify him -- by commodity, by geography, by size, or by productivity -- he's important.

He's important because he contributes individually and in total to that diversity of American agriculture that gives it its great strength, its flexibility, and its efficiency.

There is ample room in our vast agricultural plant for farmers of all types and sizes, and it is important that we keep it that way ... just as it is important to the national economy that we sustain and maintain a great diversity of large and small business enterprises.

While productivity and efficiency are important in our agriculture in order to provide an abundance of food and fiber, they are not the only criteria of who should farm and who should not.

Our Agricultural policies and the approach we take to solving agriculture's problems must take into account all farmers ...not just those who have already demonstrated the ability to maintain and operate a highly efficient unit.

I am well aware that there are some observers who look at farming through a maze of statistical tables and computer tape and suggest that all agricultural production could be better handled by half a million giant operators.

I strongly disagree.

In the first place, I am not at all convinced that size automatically equates with efficiency in agriculture. Studies of economies of scale show that if family farms take advantage of available technology they can more than compete with giant corporate farms. There are, of course, exceptions to this. And we must at all times be concerned with the threat to American agriculture posed by huge, diversified corporations which can misuse their great economic power to drive family farms out of existence.

Remarks by Secretary of Agriculture Orville L. Freeman, Holiday Inn, Denver, (Aurora) Colorado, before a USDA Regional Meeting at 2:15 p.m. (MST) Monday, November 27, 1967.

Despite this threat, family farms are more than holding their own. In the period between the last two agricultural censuses the percentage of food and fiber produced by family farms (defined as farms using not more than $1\frac{1}{2}$ man-years of outside labor) increased from 69 to 73 percent.

Family farm agriculture has withstood the test of time and competition. It has made this country the envy of the world and American farm production the greatest production miracle in the history of mankind.

Furthermore, and of equal importance, the family farm system must be preserved as the base upon which we rebuild and revitalize the countryside in order to achieve the kind of rural-urban balance necessary if this great nation is to avoid committing national suicide by crowding more and more people into less and less space.

Today we do not have that kind of balance. In the past 25 years no less than 20 million Americans have migrated from country to city, and the exodus continues at a rate of 500,000 to 600,000 a year.

I think it is safe to say that a majority, perhaps an overwhelming majority, of these people did not want to leave the countryside. They were pushed out by technological advance, economic pressures and lack of opportunity. I think it is also safe to say that both countryside and city have suffered because of this migration ... the countryside because it was drained of human energy ... the city because each new body jammed into already stifling congestion adds to the myriad problems and burdens of today's metropolis.

Is this mass movement from country to city inevitable? Or can we do something about it? Can we slow the exodus? Can we build new opportunity in the countryside to hold the people there who want to stay there ... and perhaps attract back to it those who left it so unwillingly?

I say we can. I say we are already doing it. But I also say much more remains to be done.

I'm here today to discuss with you what might be done to help a particular segment of the rural population -- small farmers as farmers -- remain on the land, improve their incomes, and raise their standard of living. If we can do this -- and I think we can -- we will make a tremendous contribution to building the kind of rural-urban balance so essential for our nation's future.

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USDA 3721-67

President Johnson is deeply concerned about town and country America, the small family farmer, and the maldistribution of people, opportunity, and space in this nation.

A year ago in Dallastown, Pennsylvania, he put it this way:

"Not just sentiment demands we do more to help our farms and rural communities. The welfare of our country demands it. And strange as it may seem, the future of our cities demands it ... If we can begin to stem the migration (from countryside to city) in our own land, we will make our mark on history."

The purpose of our regional training session here today, and of five other similar sessions scheduled around the country, is to explore means to stem the exodus of small farmers from the land.

We want to start a national dialogue in rural America, in Congress, in our farm organizations and among all people who are concerned with agriculture in order to generate every possible idea and suggestion that can be used to help some one million small or low income farmers stay on the land they love.

Through the years, many programs of the USDA --REA, conservation, extension, farm credit, commodity and price support programs, to name just a few -- have benefited small farmers. But rapid advances in agricultural technology since World War II have left increasing numbers farther and farther behind in the struggle to be competitive in production efficiency.

For those with limited land resources, and sometimes handicapped by age, physical disabilities, or the lack of management skills, price programs have not been the answer.

We must come up with new ideas and new programs to help these farmers and, when possible, make better use of existing programs and authorities by applying them specifically to the needs of small farmers.

And we're not interested in just token efforts and token programs that would merely freeze these million farmers into an economic class that is only slightly better than what they now have. We want programs and ideas that offer real opportunity for small farm operators with the ability and desire to advance steadily up the economic ladder.

Some of these farmers will always remain small farmers. That's all right. We need them. They make their contribution to agriculture and to the rural society. But let them be financially secure and sociologically healthy!

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There are also thousands of small and low-income farmers -- particularly those under 45 years of age -- who have the management potential to become highly productive and prosperous operators if given the opportunity. The Farmers Home Administration has proved this can be done. FHA has helped tens of thousands of borrowers dramatically increase their incomes.

Let me give you one example:

A Negro tenant farmer in Adair County, Kentucky received a \$12,600 farm ownership loan in 1957 and another loan of \$6,500 in 1963. By 1965 this dairy farmer had increased his income from \$3,024 a year to more than \$21,000 and his net worth had increased from \$6,000 to more than \$27,000.

This is no isolated case. A recent survey of FHA's farm ownership borrowers shows that on the average, over a five-year period, these borrowers nearly doubled their gross incomes and made substantial gains in their net worth.

These are results we need to help these small low-income farmers -- results that develop the potential of these people, results that match their aspirations and their hopes.

To get this national small farmer dialogue started I set up a task force some months ago and directed its members to come up with some practical ideas and suggestions -- to help small farmers who want to stay on the land boost their income and level of living.

The task force developed some 30 tentative programs or projects which are all set forth in this book. They are program ideas to improve small farm income, including financial and technical help in improving farm enterprises, aid in acquiring needed resources, training in the organization and management of farm cooperatives, assistance in making more effective use of forest resources, and many others.

There has been no attempt to specifically define the economic boundaries of what constitutes a small or low-income farmer. The tentative proposals were deliberately made flexible so that the broadest spectrum of American farmers could be involved.

Nor should anyone get the idea that these proposals have exhausted the field of ideas and suggestions that might be useable. This is only a start of a national discussion that will, I hope, provoke and generate even better programs and projects than those outlined here.

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And there is nothing sacrosanct about the proposals as they are outlined here in this report. Your job here, as it will be in the other five regional meeting, is to study these proposals, discuss them thoroughly, evaluate them. In short, prepare yourselves to take these proposals out to local rural meetings and present them to the farmers themselves.

And there, at those meetings, get their reactions and their ideas and their recommendations for changes and refinements of these and other proposals that might be offered.

Any programs that will effectively assist small farmers must be their programs. They must be acceptable to farmers -- not just to us. For without their acceptance and cooperation, then no program or programs we can devise, however good they seem to us, are worth a tinker's dam.

Then, after you have conducted your meetings at the local level, we will take all the ideas, all the refinements that have been suggested, and all the specific recommendations and evaluate them carefully.

Where legislation may be needed to put some of the programs into effect, we will consider proposing it to Congress. Where only administrative action or emphasis is needed, then this will be done.

But we are going to do more to help small farmers who, for the most part, are a voiceless segment in our agriculture. We are going to give them a voice. We are going to listen to their ideas. We are going to be sympathetic to their problems and their aspirations. A democratic government can do no less.

We need these people in rural America and we are going to see to it that they become a viable part of our rural economy and our rural society.

How will we accomplish this objective will, in large part, depend on how well you do your job here and later in you local meetings with the farmers themselves.

The President of the United States has asked us to work out means of providing parity of opportunity for all people in rural America.

To develop effective programs for small farmers is an important part of that assignment.

Let us then get on with the job.

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U. S. DEPT. OF AGRICULTURE
NATIONAL AGRICULTURAL

JAN 11 1961

CURRENT SERIAL REC'D

U.S. DEPARTMENT OF AGRICULTURE
Office of the Secretary

The idea of a Secretary of Agriculture's addressing a distinguished group from industry might remind some people of the story of the old lion at the National Zoo.

He was tired, and he slept most of the day, to the disappointment of visiting youngsters and their parents who expected more than that from the king of beasts. So the zoo keepers imported a vigorous, young lion. While the old lion dozed, the young lion spent the first day roaring, baring his fangs and pacing the cage to the delight of his audience.

At the end of the day he was exhausted and hungry, and he was irked no end when the keepers brought a huge slab of horsemeat for the lazy old lion and a plate of bananas for him.

He said nothing, but the same thing happened the next day, and the next. So the young lion said to the old lion. "What's the deal? You loaf all day while I do the work, and yet you get meat and I get bananas. How come?"

"It's simple," replied the old lion, "You're listed in the front office as a baboon."

Address by Secretary of Agriculture Orville L. Freeman at the annual Area/Industry Conference of the Industrial Development Research Council, noon, November 28, 1967, Fairmont Hotel, San Francisco, California.

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USDA 3718-67

JAN 11 1968

CURRENT SERIAL RECORDS

So far as I know, I am still listed in the front office as the Secretary of Agriculture -- and that is precisely why I am here. Because rural America has something to offer industry, and industry has something to offer rural America.

-- And I am here because I believe that what rural America and industrial America do in this situation is crucial to the very survival of this nation as a place in which free men can live and work.

Let me sketch briefly the reason for my concern. It goes back to 1917. I can assure you that I was not aware of it at the time, but about that year the American population became more urban than rural. For the first time, more people lived in the cities than in the country.

When this was confirmed by the census of 1920, one American farmer produced enough food to feed eight persons; today he can feed almost 40. His productive capacity has increased by 25 percent in just the last seven years.

I will not bore you with details, but that technological revolution in agriculture, with its accompanying reduction in jobs in the countryside, spurred an exodus to the cities that has brought us to the point where 70 percent of the people in this nation occupy just over 1 percent of the land.

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That leaves 30 percent on the vast remainder, a remainder of dwindling opportunity as agriculture's entrepreneurs and its hired hands -- the commercial blood of small town America -- become fewer. Farm jobs in Iowa, for example, were cut in half in 15 years, and the process continues.

Where can these displaced persons go? They have gone to the cities and, as matters stand, they will continue to go to the cities.

Small town America can't take them. It is losing the base for its mercantile and service function. A survey, again in the farm State of Iowa, showed that farm women drove an average of 33 miles to buy clothes. They went to the cities -- small and large -- because the home town merchant no longer could stock the selection they wanted.

This decline has contributed to the fact that for every 177 rural youngsters who reach working age today, there are only 100 jobs available in Countryside, U.S.A.

It means that the march to the cities continues at the rate of about 500,000 to 600,000 a year.

All too often, these migrants find no more opportunity in the city than in the country which they left, but they stay, adding to the congestion and to the problems of our cities -- cities that are running, as one mayor put it, as fast as they can to stay as close behind their problems as possible.

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Anyone who has a television set or can read a newspaper has seen some of the results of the incredible congestion, the discordant life of too many of our cities.

Nor do suburbanites, such as I and probably many of you, find what I would call a gracious life in the split-level rings that surround the central city.

I, for one, do not enjoy following the exhaust pipe and bumper of the car ahead of me to the office each morning, and another bumper and another exhaust pipe from the office to Daniel Road at night.

Nor do I like the idea of Lake Erie turned into what has been described as an open sewer, or the prospect that one day the air in megalopolis may be so bad that we will have to wear gas masks.

So this is the challenge of today, of 1967: Decay in the countryside; congestion, pollution, tension, strife in the cities.

They are, in my judgment, the products of what has been our national indifference to the social costs of the revolution in agriculture, of our indifference to our environment, and of our laissez faire approach to the land and its people.

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This challenge of 200 million Americans at odds with their environment is great enough -- but implicit in the fact of 200 million of us today is the projection that in less than 33 years, in the year 2000, there will be 100 million more of us, 300 million Americans.

That means 100 million more living, breathing human beings -- your sons and daughters and mine, and our grandchildren -- all entitled, as you and I, to pursue the American dream.

Ladies and Gentlemen, unless you and I and every other thinking American act now, that dream will be a nightmare.

It will be a nightmare because if the present trend continues, virtually all of those new Americans will be piled into urban areas covering only 4 percent of the land, holding 81 percent of the people.

And that, my friends, will be congestion with a vengeance. It will mean pollution that suffocates and tension that kills.

Anthropologist Edward T. Hall opines that when a man's "space bubble" -- what I would call his privacy -- is dented or crushed, the results are as devastating as those of an assault upon his person -- they just take longer to appear.

The result of this assault, of overcrowding in our cities, according to Dr. Hall, is that family life disintegrates; social customs which temper aggression are thrown aside, creating "behavioral sinks."

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Dr. Rene DuBos, Nobel Prize biologist, said this: "The impersonal relationship of people in our cities is producing a gross impoverishment of individuals which could lead to the death of this civilization."

This, today, is where the path of indifference has brought us.

But I do not believe that environmental and behavioral "sinks" are the inevitable heritage of the 100 million new Americans of the year 2000. I believe that the endless migration to the cities can be halted -- that it must be halted, and even reversed. As a matter of fact, the needs of industry that brought it about in the first place no longer exist with modern transportation and communication.

I believe that we can achieve a proper balance of land and of people -- what I call rural-urban balance -- and I believe that we can do it by the year 2000.

But I have no illusions about the size of the problem.

Consider this: Despite the "pill," and despite family planning institutes and birth control clinics, the men, women and children in small town and farm America today will create by the year 2000 a minimum of 24 million human beings for whom there will be no place, no opportunity in rural America -- unless we act to put it there.

It is clear to me that no government at any level can provide opportunity for 24 million persons -- enough people to fill 32 San Franciscos.

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Government is important; government -- Federal, State and local -- can help. But unless you men and the industry and businesses you represent see the challenge and meet it, we are all kidding ourselves.

We will continue down the road to national suicide -- traveling, to be sure, in our air conditioned cars, but through a curtain of smog and with the noise of riot overpowering the strains of "Camelot" from the snap-in, dashboard stereo.

We have proved that we can build the affluent life. Let us start right now to prove that we can build a good life, too, a life of rich dimension and quality.

It will take the dedicated efforts of all Americans, and it will take the right decisions at the right time by thousands of people like yourselves as industry decides when to expand and where.

I am not foolish enough to advocate for one minute that industry pull up stakes from the cities and suburbs and resettle in the countryside, or that industry from now on put all its new plants in the countryside. This would be neither practicable, possible nor desirable.

But I am advocating, with all my heart, that every time you want to expand you take a serious, open-minded look at what Countryside USA has to offer.

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I know that there is a trend of long standing to move from the central city to the suburbs, and that it is accelerating, but this does little except alter the patterns of congestion in the metropolitan area.

I am asking you, when you leap, to take the big leap, the leap beyond the suburbs to the countryside where you will find clean air, cheaper land, usually lower taxes, and a willing labor force.

Many companies, as you know, have done it.

Among the leaders has been Campbell Soup Co. Campbell's president, my friend W. B. Murphy, has been an apostle of rural-urban balance for years and has proved that plant dispersion works.

"What problems we (in the business community) created for ourselves," he told the Economists Club of Detroit in 1965 regarding the 50-year march to the cities. "Had industry expanded by decentralization to a far greater extent than now is the case, and had it gone into the thousands of small cities and towns, the rural citizens who could not make a living on their farms could have found jobs in local industry, and the overcrowding of big city areas would be far less."

Then he went on to lay some of the myths of industrial dispersion.

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"One of the big myths of locating processing plants in rural areas," he said, "has been that one can't hire enough skilled workers. Our experience has proved this to be wrong. In Paris, Texas, for example, with a concentrated training program, it took only seven months to get a large plant into full-scale operation from a standing start."

Mr. Murphy had this to say about another myth, the myth that says that company officials will not be happy living in a small town: "When industry comes to a community," he said, "the impact of employment and the business that develops is reflected in many improvements to the extent that the town is a fine place in which to live. It isn't long before executives are not anxious to be transferred to other locations."

Dr. Charles N. Kimball, president of the Midwest Research Institute in Kansas City, told U. S. News and World Report last year that "many Americans would move away from Megalopolis if given half the chance."

"I can document that in the case of our staff of 400," he went on. "In recent years, many of those added to our staff have been persons who had left their Midwest environment some years ago, and now are happy to come back."

There is, I am pleased to say, a growing appreciation in industry of what the countryside has to offer, and a growing awareness of the suicidal national consequences of ignoring it.

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USDA 3718-57

3M Company, for example, has been placing companies in small towns for about 20 years, with results described by Vice President C. P. Pesek as "most satisfactory."

IBM Corporation in the last five years has located none of its new manufacturing plants or its laboratories in a metropolitan area.

At least one plant-locating company has been so "high" on countryside America that it's president told me last month that the company had, on occasion, been accused of unduly favoring small towns in its recommendations.

"But," he continued, "the fact of matter is that we find operating costs and conditions, for most companies, are generally more favorable in the nonmetropolitan area. Briefly stated, the advantages include more favorable labor climate, better productivity, less congestion, better communication with governmental agencies, plus, of course, the more obvious advantages of land availability and cost."

Countryside America is stirring, too. It is waking up. It is seeing the boarded up store fronts for what they are: the tombstones of a way of life.

Countryside USA is asking itself, "Where have all the children gone?"

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This question -- this challenge -- has brought a response from dynamic local leaders in hundreds of communities. They have enlisted local citizens, and area and regional experts such as some of you here today; and they are using whatever government agencies -- Federal, State and local -- that can help in programs of self improvement, programs designed to meet a questing industry more than half way -- programs to keep today's children, and to bring back some of the children of yesterday.

I visited scores of communities in more than a dozen States last summer, talking with these men and women, and seeing and listening to what they have done and are trying to do. I came away impressed.

And I met with a group of industrial leaders and development directors in Washington in September, and I was impressed by their interest in rural industrialization, and by what they have already done toward rural-urban balance.

But when I measure this against the prospect of 100 million more Americans in less than 33 years, all expecting -- and deserving -- the same chance for a choice that most of us had, I realize that we need vitality, imagination and drive in thousands -- not hundreds -- of communities, and I realize that we need the keen interest, the active participation of all persons who make industrial decisions.

For you -- the people of industry -- will decide what America will look like, what it will be like in the year 2000.

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Americans are mobile people. They are going to move where they want to move, if they have the choice. And choice means jobs.

If the jobs are in metropolis, they are going to those jobs. But if there also are jobs in the thousands of small cities and small towns -- in that 99 percent of this land that now holds less than one-third of its people, many of those already there will stay, and many will come back.

We can build an America of choice, an America of 300 million human beings at ease with each other, and with their environment. But it will require imagination, determination, energy, and political courage and business courage.

We are standing today with both feet in the year 2000, because what we do now, the decisions we make and those we don't make, commit our children and grandchildren of the 21st century.

And you men of industry are the key people.

Every decision you make today, and tomorrow and the day after that will leave its mark on the face -- and the heart -- of America of the year 2000.

I would like to close with this parable from the Talmud:

There was once a Rabbi who had the reputation for knowing what was in a man's mind by reading his thoughts. A wicked boy came to see him and said:

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"Rabbi, I have in my hand a small bird. Is it alive, or is it dead?"

And the boy thought to himself: If he says it is dead, I will open my hand and let it fly away; if he says it is alive, I will quickly squeeze it and show him it is dead.

The boy repeated the question: "Rabbi, I have in my hand a small bird. Is it alive, or is it dead?"

And the Rabbi gazed steadily at him, and said quietly, "Whatever you will; whatever you will."

And now let me close with a brief comment on the problem that is a painful first in the hearts and minds of every American today. I speak, of course, of Vietnam.

Our commitment to this embattled Asian people -- to Human Freedom -- demands the sober, prayerful attention of every American -- attention that is not served by emotionalism, by exhibitionism, by throwing one's self at the Pentagon doors.

To me, what is at stake in South-Vietnam is the life or death of that Nation -- and of a score of other Nations in Asia, and, in the final analysis, of our very way of life.

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What is at stake around the world is the integrity of the greatest free Nation in history -- does it honor its commitment to a weaker people struggling to be free? Do its people still believe, as they did in 1776, that Freedom is worth their lives, their fortunes and their sacred honor?

Make no mistake: A troubled world is watching, and waiting, for the answers -- and none more intently than the Communist world.

Our presence in Vietnam is a source of hope to people of all Southeast Asian nations needing time to build their own social, economic and political systems -- time to build to where they themselves can shoulder more their own responsibilities as free Nations.

We all want peace. But peace bought at the expense of the American tradition of helping the weak, of keeping our commitments, and of the American principle of Freedom itself would be but ashes without substance.

President Johnson has been earnestly seeking a peace with honor -- a peace with freedom, for four long years.

I would like to remind you that the American doctrine was set forth by brave men for brave men, and that preserving it has always been a hard, risky, dangerous business.

The men, and the women, of this Nation have been taking those risks and meeting those dangers for 191 years.

We can be proud that so far this generation as much as any other has met the dangers and taken the chances required of a free people. I am confident that it won't quit now, nor will its sons and daughters.

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U. S. DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY

Some years ago -- how many I won't say -- when I was a student at the University of Minnesota, a certain professor was notorious for giving exactly the same final exams year after year.

Finally one of his fellow profs asked him about it.

"Don't you know the students here keep files of old exams? Why do you give them the same test every year?"

The old professor replied: "I give them the same examinations, it is true. But every year I change the answers."

It seems to me this sums up our era. The old answers are changing; new ones are fast upon us in dizzying procession.

It is true that other ages have also experienced change -- an American President once said --

"The dogmas of the quiet past are inadequate to the stormy present ... As our case is new, so must we think anew and act anew."

The President was Abraham Lincoln, the time was 1862.

But while other Americans have experienced change, no generation has experienced it as rapidly -- nor have its effects been as profound -- as yours.

Address by Secretary of Agriculture Orville L. Freeman to the 46th national 4-H Club Congress, Conrad Hilton Hotel, Chicago, Illinois, Wednesday, November 29, 1967, 8:00 p.m. CST.

Tonight I would discuss this age of accelerating change and what it means to all of us -- but particularly to you, the youth of the United States.

First, its magnitude and extent: Mankind struggled for 50,000 generations to speed his rate of travel to a pace faster than that of the horse.

Once he achieved steam power, yet another 120 years went by before he achieved air power. Once he did that, his speed began to increase exponentially from the flimsy powered kites at Kittyhawk to the gleaming Apollo space vehicle. Within your lifetime man has increased his speed 10-fold, until now he orbits the earth in 89 minutes.

Again, mankind grubbed in the earth for eons of time to wrest just enough sustenance to feed his immediate family. Millions of his brothers periodically starved in famines. Now, one farmer feeds 40 others and agricultural scientists probe the very secrets of life itself to conquer hunger for all time.

Ninety percent of the scientists who ever lived are alive today. The amount of knowledge at our command doubled from 1950 through 1965, and will double again before another decade and a half passes.

And so it is an uncomfortable period, full of uncertainty, full of gropings -- for it is difficult to part with the verities of the comfortable past for the untested ideas of the future. But it is an exciting era, perhaps the most exciting, the most challenging, that mankind has ever known.

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It is "the best of times, and the worst," now as in the days of Charles Dickens.

You have only to open the paper or turn on TV to see the worst. News, by definition, is the bizarre, the unusual, the out-of-the ordinary. Nearly six million young people, working on their degrees in colleges all over the United States, aren't news.

One college pot party is.

Five shaggy demonstrators, carrying signs and raising Cain, can crowd off the front pages 500,000 young men carrying rifles and doing their duty in Vietnam. And many people, seeing only the former and forgetting the latter, think the country is going to the dogs.

Well, in my opinion, they'll have a long wait!

The country isn't going to the dogs -- it's going to the moon. And here on earth, it's meeting its obligations to its own people and its friends overseas. We all know what's wrong with America, but how about what's right with it?

Let's talk about meeting obligations:

* This country has an obligation to see that every one of its young people who is ready, willing and able, gets the best education the Nation can provide. 51.8 million young people are in college doing that right now, nearly 2 million more than four years ago. Nearly a million and a quarter of our college students are receiving federal grants or loans to help them along. Another 2.7

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USDA 3738-67

million young people are in federally-assisted vocational education courses, nearly 30 percent more than just four years ago.

This is one thing that's right with America.

Overseas, as at home, the nation is meeting its commitments. Since 1954, when Food for Peace got underway, 150 million tons of food from America have gone to the hungry abroad. Even as I speak, grain is moving from the American heartland to Asia and Africa, and trained American agriculturists are moving to help the poorer nations learn to feed themselves. This is right with America, too.

In Vietnam, despite all the criticism, despite the cries of the demonstrators, the Nation is meeting its solemn treaty obligation to defend the life of that small Republic. When the test came, when we were told, in effect, to "put up or shut up," we didn't take the easy way out. We put up, we made a stand,

And this is right with America, too.

Of course, this isn't an age without blemish, without problems. No age is. As the novelist Lillian Smith once wrote:

"There is always a dark underside to every age, a festering, ill-smelling slum where man's enemies and errors breed."

She recalled that the age which produced Tom Paine and Thomas Jefferson also saw human slavery sending its roots deep in the American soil ... saw colonial exploitation beginning in Asia and Africa, and persecution of the mentally ill in Europe.

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USDA 3738-67

Yet, she noted:

"The germinal ideas this age brought to life, the vision of man's possibilities which it communicated to the future in impassioned words and symbolic acts, will never die. They are today a part of the human heritage. And will remain so as long as men live on this earth. An age is remembered for those qualities it dramatized which enlarge horizons and give a fine ambience to man, himself."

What will our age be remembered for? What will future historians ponder, and catalogue, and what will they finally point to and say, "this is what they did; this is what we remember them for"?

Let me give you just two possibilities, out of hundreds. Whether the challenges I name are met or not, each will affect you deeply, each will involve you. Upon your determination and your will, much more than upon my generation's -- the final outcome will turn.

The first possibility is this:

Will the historians write, "that was the blessed age that conquered the scourge of hunger"?

As you know from today's seminar, two-thirds of the human family lives in the underdeveloped world. Of these, seven out of 10 live and work on the land, and six out of seven are hungry. This portion of the human family will double in number by the time you are the age I am now.

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In contrast, only one-third of mankind lives in the richer nations -- North America, Europe, Oceania and Japan. Taken as a whole, individuals in the rich nations average \$1,700 in income a year, more than 15 times as much as the \$110 a year that individuals average in most parts of South America, Africa and Asia.

The United States is the richest of the rich nations, India is one of the poorest of the poor. Each individual in America -- man, woman and child -- averages \$46 a week income. Each Indian averages only \$1.40. And the gap is growing wider. Our gross national product grows each year by a greater amount than the total amount of annual production of all but seven other countries in the world.

The implications for world peace are ominous. Since 1958, only one of the 27 richer nations has known war on its own homeland. But among the 38 poorest nations, 32 have suffered significant conflicts, an average of two wars per country in an eight-year period.

The war on hunger will be the most prolonged, the most complex, this nation has ever fought. And it must be fought and won in the hungry nations themselves, as the Food for Freedom Act of 1966 so wisely recognizes. You help a hungry man by offering him food. But to truly help him you must teach him to feed himself.

My generation can pass on to yours some of the tools needed to win the war. USDA and other agricultural scientists have developed, and are developing new strains of plants, livestock, and adapting old techniques to the climates and capabilities of the less developed world.

A few examples, among many:

Without protein children in the poorer nations die -- sometimes at a rate 40 times higher than children of the same age in developed countries. Protein-starved children who live often suffer mental and physical retardation.

The Department is now exploring and putting into use various methods of fortifying grains with amino acids or protein concentrates. Incaparina, a mixture of cottonseed protein concentrate and corn, sold in Guatemala, is now being fortified with lysine. Emergency shipments of flour fortified with lysine, the first such large-scale operation in history, have already arrived in India.

Our goal now is to fortify all emergency shipments of grain by 1969 and to fortify all exports of grain to protein-short areas by 1970.

The U. S. food industry is now heavily involved in developing new foods and food industries in protein-short countries. Such new foods include protein beverages, products from soybeans, cottonseed products for human consumption and new foods from wheat-protein concentrates. Our goal for 1970 is one billion additional cups of protein beverage per day in those areas where protein is short.

It is your generation that will perfect these tools, diffuse them widely around the world, and ultimately win the victory.

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I am thoroughly aware, and deeply appreciative, of what 4-H members -- individually and as an organization -- have already accomplished in this war, both from tonight's discussion and from seven years of first-hand experience as Secretary of Agriculture.

Your International Service Projects have spread the 4-H idea of service to the nations abroad which need it most. I recalled your work in the Young World Food and Development Project just one month ago, when I attended the UN's Food and Agriculture Organization meeting in Rome. Your contributions to CARE are well-known to every person concerned with world hunger.

Yet I would challenge you to do even more, to give even more of yourselves to this great humanitarian -- and deeply practical -- effort. If enough of you do this, if you support this effort with all your hearts and souls, I have no doubt future historians will write of your generation:

"This was the age -- blessed in all mankind -- that abolished hunger from the face of the earth."

And now for a second challenge:

What will the historians write of the major domestic problems of our times, the twin specters of a depopulating rural America and the crisis in the cities.

Will they write: "This was a generation that had the last clear chance to reverse a trend to urban agglomeration -- the packing of more and more people in less and less space -- but did nothing about it"? Will this be the epitaph for an age?

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Or will they write: "This generation was the one that created an alternative to bigger and bigger cities -- that dotted the countryside with thousands of new factories, hundreds of new and revitalized rural towns -- that brought the jobs to the country, and reversed the trend of uprooting and moving the people to the cities."

Which will it be?

We have hopes, we have dreams, but no one knows for sure. We only know what is today.

Today, 70 percent of our people are crowded into just one percent of our land. A majority of our population -- more than a hundred million, live in and around the 224 largest cities, which are growing at a rate three times that of non-metropolitan areas.

By the time your children are in their late twenties, around the turn of the next Century, 100 million more of us -- 300 million total -- will be crowded into the same number of square miles that 200 million live on today. And, if present trends are not reversed, 80 percent of these new Americans will live in and around the great cities, in conditions of incredible congestion and pollution.

No one really knows what conditions will be like. But we do know what it's like to live in parts of today's crowded cities, where 120,000 and more human beings are packed into one square mile.

After the riots that racked urban America last summer, the New York Times spoke of the plight of residents in the most congested spots in urban America:

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"Any man," the Times said, "condemned to spend his days and nights without end on East 103rd Street would be likely to 'blow his cool' sooner or later, or give up ... slum dwellers are in revolt at least in part because the cities in which they are condemned to live have become unliveable -- concrete, brick and neon monstrosities unfit for human habitation."

And another 100 million people will be with us by the year 2000. A single city to house this many people -- at present urban density rates -- would be 10 miles wide, begin on the shores of the Atlantic Ocean, stretch in an unbroken line across the Midwest and over the Continental Divide, and finally end at San Francisco. Such a city would be the equivalent of building, from scratch, 15 more Chicago metropolitan areas.

But there's nothing pre-ordained about this. We can take an alternate route. We can revitalize rural America -- where the open space is -- build new cities there and revitalize existing towns. We can create an environment in which an individual can be an individual, and not just another, anonymous, face in the lonely crowd.

What will it take to do it?

The answer is a four-letter word -- jobs.

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Right now, 177 young men in rural America reach working age for every 100 rural jobs opening up. In the past decade, the total new jobs that have been created in rural America have just about been matched by the decline in manpower needs in agriculture, forestry and mining, the traditional industries of the country.

You've seen some of the reasons yourself ... the new corn-pickers, cotton pickers, tractors ... the new seeds, the new fertilizers, pesticides and herbicides that have allowed your fathers to double their productivity in your lifetime.

What you've seen with your own eyes is the greatest productivity revolution the world has ever known, for your fathers and other farm families are increasing their output per man hour at a rate three times greater than other industry.

And this means that other jobs have to be created -- and along with them, the quality schools, colleges and technical training institutes ... the parks, and recreation facilities ... the first rate housing and medical care that new industry requires before they locate in a community.

This means leadership. It also means a willingness to change, two things at which young people excel.

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A month ago I met with some 30 top industrial leaders to find what the Department of Agriculture could do to encourage industry to locate in rural America.

We talked about USDA programs for rural development, and almost everything else under the sun. But one comment stuck in my mind. The company President who made it said something like this:

"You know, one of the biggest reasons we pick one community over another is a willingness to listen to new ideas, a willingness to change. My particular company turns out a quality product and pays good wages to the employees who produce it. But we find some communities aren't interested in having prevailing wage scales changed, or aren't interested in providing the quality community services that allow us to attract and hold our top people.

"The best thing a community can have, from our point of view, is good local leadership that welcomes us and believes in having us in the area."

And my friends, this means you. You are going to have to provide the leadership, and the national commitment, to make a revitalized rural America a reality.

Again, we pass on to your generation some of the tools to do the job ... loan programs to build rural facilities ... conservation programs to enhance the rural environment ... programs to upgrade education, health, and recreation, programs to strengthen the farm income upon which rural America depends for survival.

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This whole exciting, challenging area of rural/urban population balance will be examined in depth next month in Washington. The occasion is a national symposium sponsored by five other Cabinet officers and me, bringing together the best minds the nation has to discuss this vital and timely subject. I hope the 4-H will be represented at this symposium for many reasons, but prime among them is the fact that it's your future that will be discussed. Your voice must be heard as this Nation thinks its way to new solutions for old problems.

I'm not underestimating the difficulties of reaching rural/urban balance and building a new dimension for the future. They are very real and tough.

Solving them will take trained, educated, dedicated people, and lots of them. By 1972, for instance, federal, state and private agricultural research alone will need 13,000 more scientists in addition to the 27,000 already working in the field. Five years after that another 13,000 will be needed. By 1975 the Nation as a whole will need to increase the number of students enrolling in medical schools by 50 percent, and double the number entering dental schools. We'll need 30 percent more nursing graduates and another 100,000 social workers. We'll need skilled farmers, skilled mechanics and people trained in skills that haven't even been invented yet.

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The outlook for you, vocationally, is bright. There will be jobs and great opportunities. But what we need most of all, is commitment, for the problems and challenges I have outlined tonight are not primarily technical, they are social, political and human.

We know how to grow enough food to feed a world population many times present size. We have the technology to revitalize rural America and change dramatically the condition of life for the average American. We have the resources to provide every man, woman and child in this country a decent living and quality diet. We have the know-how to scrub clean every river basin and airshed in the continent, replacing the clouded skies and water with pure air and sparkling streams.

But do we have the will? ... and do we have the skill to use the know-how?

Can we change the hearts and minds of men to do this? This is a human, not a technical equation, and it is the greatest question of our time. You can be a part of solving it -- directly in government or private industry -- indirectly as a voter and a concerned citizen. Certainly you are in the right organization to meet these challenges, as 4-H has demonstrated time and time again.

Of course you don't have to get involved.

Several choices are open:

You can tune in, turn on, and drop out -- as some young people have ... you can stick flowers in your hair, grow fuzz on your cheeks and resign from the human race ...

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Or you can join the Great Uncommitted, pursue your private goals of money, status and profession, complain about the way things are going to the dogs, but make no commitment to change them ...

Or you can join in. You can become part of the process that selects the national and local leaders who run your government, you can provide leadership in your own community, you can join the League of Women Voters if you're a housewife, find out about the issues ... and you can change the world.

You are fortunate, for you are still young enough to make the choice. By your membership in this great 4-H organization ... by your presence as a representative at this great 4-H convention, you are on the way to making your choice -- that of commitment, that of involvement. I come here, then, to salute you and to cheer you on!

Never believe that youth precludes you from involvement in great affairs; never believe that one man cannot change the world.

Four years ago this month I stood in the Capitol Rotunda and heard a great Senator speak of how one man changed his world. I have never forgotten it.

The occasion was a eulogy for a slain President, the youngest we have ever elected. Mike Mansfield said this:

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"He gave us of a good heart from which laughter came.

He gave us a profound wit, from which a great leadership emerged.

He gave us of a kindness and a strength fused into a human courage.

He gave us of his love so that we, too, in turn, might give.

He gave that we might give of ourselves."

Give of yourselves, my friends, give of yourselves. Good night.

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A few weeks ago, following my appearance before the National Conference of City Planners in Washington, D.C., the Baltimore Sun ran an editorial titled: "Freeman's Magnificent Obsession." It said -- and I quote, in part: "The Secretary of Agriculture is obsessed with the idea of developing alternatives to city living. Urban America could use more such obsession."

In the USDA pamphlet Communities of Tomorrow, I did my best to set this dream to words in this passage:

"Imagine, if you will, a time in the future when the American landscape is dotted with communities that include a blend of renewed small cities, new towns, and growing rural villages. Each is a cluster with its own jobs and industries, its own college or university, its own medical center, its own cultural, entertainment, and recreational centers, and with an agriculture fully sharing in the national prosperity.

"Imagine hundreds of such communities that would make it possible for 300 million Americans to live in less congestion than 200 million live today -- that would enable urban centers to become free of smog and blight, free of overcrowding, with ample parkland within easy reach of all."

Address by Secretary of Agriculture Orville L. Freeman before the annual meeting of the Tennessee River Valley Association, University of Tennessee at Knoxville, Tennessee, 11 A.M. (EST) Tuesday, Dec. 5, 1967.

I suppose my dream of this nation building the kind of Town and Country USA that will offer a practical alternative to the stifling congestion of our cities could be termed something of an obsession, if, for no other reason, because I believe in it so deeply and I think it is so right.

In this respect, I suppose, I'm something like President Teddy Roosevelt's pet mongrel terrier. The President was very fond of the dog, but the little mutt had one fault -- he had an obsession about fighting other dogs.

Every morning the President would let him out and a few hours later, the dog would invariably come back to the White House thoroughly whipped, very bloody and generally mauled.

The dog never gave up. But one day he turned up so badly chewed and beaten that the President was alarmed. He called his Secretary of Agriculture and asked whether the Department of Agriculture had a good vet on its staff. Roosevelt told the Secretary what had happened and about the dog's incurable proclivity for fighting.

The Secretary asked: "What's the matter with your dog, Mr. President, isn't he a good fighter?"

"Oh, he's a heckuva good fighter," the President replied, "it's just that he's a darn poor judge of other dogs."

Well, I've had my share of battles during my seven years as Secretary of Agriculture -- I have the scars to prove it -- and I have lost my share of them. But this is one I intend to win.

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My confidence is based on the widespread and growing support that I am getting from every level of government, from industry and business and from great organizations like yours.

You people in the Tennessee River Valley Association are demonstrating the kind of new awareness and concern that is coming to the front all over rural America. And, I would emphasize, that same awareness and concern is evident among big city mayors and urban organizations and planners whose stake in the rebuilding of rural areas is as great as it is for you who live there.

The blunt truth is: people everywhere are beginning to realize that finding a proper balance of space and people is crucial to the very survival of this nation as a place in which free men can live and work. How did we as a nation ever permit this critical impasse of too many people on too little space to develop to a stage where it is endangering the basic fabric of our society?

The answer is not a simple one but I shall try to sketch, in broad strokes, what I believe to be the underlying causes of the present rural-urban imbalance.

It goes back to 1917. I can assure you that I was not aware of it at the time, but about that year the American population became more urban than rural. For the first time, more people lived in the cities than in the country.

When this was confirmed by the Census of 1920, one American farmer produced enough food to feed eight persons; today he can feed almost 40. His productive capacity has increased by 25 percent in just the last seven years.

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I will not bore you with details, but that technological revolution in agriculture, with its accompanying reduction in jobs in the countryside, spurred an exodus to the cities that has brought us to the point where 70 percent of the people in this nation occupy just over 1 percent of the land.

That leaves 30 percent on the vast remainder of our land area, a remainder of dwindling opportunity as agriculture's entrepreneurs and its hired hands -- the commercial blood of small town America -- become fewer. Farm jobs in Iowa, for example, were cut in half in 15 years, and the process continues.

Where can these displaced persons go? So far they have mostly gone to the big cities, and, as matters stand, they will continue to go there.

Small town America can't take them. It is losing the base for its mercantile and service function. A survey, again in the farm state of Iowa, showed that farm women drove an average of 33 miles to buy clothes. They went to the cities -- small and large -- because the home town merchant no longer could stock the selection they wanted.

This decline has contributed to the fact that for every 177 rural youngsters who reach working age today, there are only 100 jobs available in Countryside, U.S.A.

It means that the march to the cities continues at the rate of about 500,000 to 600,000 a year.

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All too often, these migrants find no more opportunity in the city than in the country which they left, but they stay, adding to the congestion and to the problems of our cities -- cities that are running, as one mayor put it, as fast as they can to stay as close behind their problems as possible.

So this is the challenge of today, of 1967: Decay in the countryside; congestion, pollution, tension, strife in the cities.

This challenge of 200 million Americans at odds with their environment is great enough -- but implicit in the fact of 200 million of us today is the projection that in less than 33 years, in the year 2000, there will be 100 million more of us, 300 million Americans.

That means 100 million more living, breathing human beings -- your sons and daughters and mine, and our grandchildren -- all entitled, as you and I, to pursue the American dream.

Ladies and Gentlemen, unless you and I and every other thinking American act now, that dream will be a nightmare.

It will be a nightmare because if the present trend continues, virtually all of those new Americans will be piled into urban areas covering 4 percent of the land, holding 81 percent of the people.

And that, my friends, will be congestion with a vengeance. It will mean pollution that suffocates and tension that kills.

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I believe that we can achieve a proper balance of land and of people -- what I call rural-urban balance -- and I believe that we can do it by the year 2000.

But I have no illusions about the size of the problem.

Consider this: Despite the "pill," and despite family planning institutes and birth control clinics, the men, women and children in small town and farm America today will create by the year 2000 a minimum of 24 million human beings for whom there will be no place, no opportunity in rural America -- unless we act to put it there.

It is clear to me that no government at any level can provide opportunity for 24 million persons -- which is four times as many people as you now have in all of Tennessee and Alabama combined.

However, the Federal government can help. It does have resources you can use. State, county and local governments can help even more because they are closer to the people and the problem. But in the end, it is people and organizations of people like yours who share a common cause and common aspirations who must carry the major load of responsibility.

This, I am convinced, you are ready to do. You have the leadership, you have the desire, you have the people and your approach to the problem is right.

So I have come here today to discuss with you how the Federal government can cooperate with and assist you in attracting new industry and business, creating new jobs and generally improving the quality of living in the Tennessee Valley area.

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Creating new permanent job opportunities in small rural towns and cities starts with attracting new business and industry.

Today, business management places great emphasis on three factors in making its decision for location in rural areas:

1. Availability of financial assistance.
2. Availability of trained and usable manpower in a given area.
3. The general livability of a town.

Never before has management been as interested in the health and welfare of their employees and in the human aspects of industrial location.

Edward M. Clark, president of the Southwestern Bell Telephone Company, has said:

"It doesn't do much good to have good working conditions within your plant if you don't have good conditions in which your employees exist at other hours."

In other words: "To attract, you must be attractive."

Along with an adequate industrial site and transportation facilities, you must offer a community that has good schools, good recreation facilities, adequate water and waste disposal systems, good looking homes and space for additional homes as you grow, and generally a good place to live in as well as work.

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Recently, I was told about a town in Tennessee with a population of around 5,000. The town was told by one industrial prospect that it needed a hospital before any new plant would locate there. So the town built one. It also built a new gymnasium and a \$40,000 auditorium and some extra housing. Still, no industry came in. Finally, an electronics company with a potential employment of 1,500 visited the town and was just on the point of signing up when the firm's executive asked: "And where's your golf course?" The town didn't have one and the firm located in Georgia.

Today, the U.S. Department of Agriculture is in a position to help every rural community in America to become more attractive to business and to people.

Let me cite just one example -- Warren County, Tennessee.

We are very proud of what we were able to help achieve there. I have used the Warren County story with pictures and slides before Congressional committees and before dozens of groups as a prime example of what can be accomplished for a whole county -- not just one community.

Warren County -- like most rural counties in America -- had been losing population. Its young people were leaving. Its small towns lacked water systems. Business was leaving Warren County -- not coming in.

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In March 1963, we made our first loan to build a water system in the town of Lower Collins. Since then we have made four additional loans within the county for a total of \$1.4 million to establish five rural water systems with 133 miles of water lines serving nearly 7,000 people. In addition, through the efforts and cooperation of the Technical Action Panel, the county was able to secure more than \$2 million in loan funds from the Department of Housing and Urban Development, to extend its water systems to more people.

Warren County now has a water line along every major highway in the county and along several of its secondary roads.

Four new industrial plants have been constructed within the county and a fifth large plant with 1,500 jobs is currently being negotiated.

Seventeen small businesses have been started.

Over 300 new rural homes costing \$3.5 million have been built and nearly 500 houses have been remodeled. Home construction continues.

Nearly \$1 million in community building improvements have been completed and the State of Tennessee has purchased a \$500,000 tract within the county for a new park.

Today, Warren County is on the move.

And Warren County is no isolated case.

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This year, with our loan and grant program for community facilities we expect to provide financial assistance to upwards of 1,200 rural communities to construct or improve water and waste disposal systems that will benefit a million rural people. Hopefully the level of activity in this program will continue to grow.

Our rural housing program is now operating at a loan level of nearly a half billion annually. That compares with only \$95 million in 1962. This is the equivalent of nearly 50,000 new rural homes each year.

Our community facilities and rural housing program, in addition to upgrading the quality of living for millions of rural people each year is also providing some 75,000 man-years of on-site employment in rural areas every year.

We can make loans up to \$4 million to local nonprofit associations to develop large scale outdoor recreation facilities and nearly 500 communities have done so since 1963. These facilities include golf courses, swimming pools, athletic fields, parks and campsites.

In addition, the Department of Agriculture has programs to develop small watershed projects to provide water reservoirs for industrial and consumer and recreation use. We have a loan program to assist low-income farmers and other rural residents to increase their family living incomes in farming and by financing small business and service enterprises. The ASCS has a Grassland program to enable rural communities to purchase land for parks and other recreational facilities.

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The importance of these programs is being demonstrated every day all over the nation. I can assure you we do everything within our resources of authority, money and personnel to make them available to the people they are designed to help, with maximum efficiency.

Let me hasten to add, however, that we of the U. S. Department of Agriculture are the first to emphasize that rural areas and small rural communities need other programs and additional types of assistance to fully develop their potential.

Other Federal departments are making some of these programs and services available.

Rural areas need the manpower training programs now offered by the Department of Labor and the Office of Economic Opportunity.

One of the great problems of rural America -- and particularly in the South -- is its large, unskilled, poorly educated agricultural work force no longer needed to till the land. Machines and automation have largely replaced the need for unskilled labor. Therefore, in your plans for attracting new business and industry, it is vital that an adequately funded manpower training program be included.

Everywhere I have traveled in this country, there are plenty of jobs -- but only for skilled labor. The untrained must become trained if you are to build good communities.

Rural areas also need adequate health and education facilities in order to create a complete and viable rural community. The Department of Health, Education, and Welfare can help provide such programs.

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Rural communities also need the programs offered by the Department of Housing and Urban Development. Slum clearance and housing redevelopment is a small town as well as a big city program. When the programs of HUD are combined in rural areas with USDA's rural housing loan programs on a total community basis, exciting improvements take place.

But I submit, my friends, all the programs that your Federal and State governments can provide, plus all the good intentions you might have, will not create the attractive town and country alternative the nation needs -- unless these programs are carried forward within a framework of multi-county comprehensive planning that makes it possible to know precisely what we are doing.

Too many of our cities have tolerated undisciplined growth without planning until some have reached a point of no return. A point, I might add, where many urbanologists now agree with Frank Lloyd Wright, who said it would be cheaper and better to destroy most of our cities than try to rebuild them.

This luxury -- the luxury of nonplanning -- neither rural American nor the nation can afford.

Fortunately, an increasing number of states and the Federal government are encouraging multi-county comprehensive planning. At the Federal level, the Economic Development Administration, HUD, and USDA all are pushing for better planning. In the USDA, Rural Renewal and Resource Conservation and Development Programs authorized in the Food and Agriculture Act of 1965 move strongly in that direction.

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Many of you are aware that the Administration has recommended and Congress is considering some important changes in the "701" planning authority.

These changes would permit HUD to make matching funds available to State governments for comprehensive planning on a multi-county and even a regional basis.

In the meantime, as our authority and capacity to plan the most efficient use of our resources grows, we are moving ahead throughout the nation to bring Federal technical assistance and program support to Town and Country USA.

Too often in the past, Federal programs have stopped at the boundary lines of our cities simply because rural communities could not afford the trained staff of technical people needed to apply for these programs.

Today, the Department of Agriculture is trying to fill this program and technical assistance gap that has existed so long in rural America.

In a recent Executive Order, President Lyndon Johnson established the "outreach" function which provides a new and important dimension in his continuing efforts to revitalize rural America.

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In that Executive Order, President Johnson directed the Secretary of Agriculture to make available the services of all the field offices and personnel of the USDA so the full thrust of other than USDA Federal programs would reach out into the countryside.

Serving as the "action team" for this outreach function are the state, district and local Technical Action Panels.

We now have some 3,000 such TAP's in all 50 states and Puerto Rico.

Many panels are keyed to multi-county development.

Panel members include representatives of USDA field agencies of which there are at least four in every rural county and other public officials in the education, employment, credit and health fields -- state and Federal who can contribute to community development.

The Farmers Home Administration provides panel leadership and the county Extension agent is charged with providing educational and organizational assistance.

Through the TAP panel, leaders in every rural community now have on their doorstep public officials who are ready, willing and eager to help them to plan for the future and to gain ready access to applicable Federal programs.

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Rural people now have only to call the office of any member of a technical action panel in their county to find out about government programs that deal with agriculture -- housing -- transportation -- education and health facilities -- recreation and cultural facilities -- water resources -- parks and forests -- social rehabilitation -- emergencies and disasters -- loans to small business -- and all the other programs which rural people can use.

Never before in history has such a body of community-building programs and such a system of technical assistance been available to rural areas.

This Technical Action Panel system is tailor-made for an organization such as yours blessed, as it is, with knowledgeable and competent leadership at all levels.

You who live in this great Tennessee Valley area have many things going for you that few other rural areas enjoy. You have your highly developed power and navigation resources from TVA. You have the unmatched natural beauty of your forests, streams and dam reservoirs. You still have valuable stores of natural resources underground. And, of course, you have progressive people.

With the proper kind of comprehensive forward planning you can build "communities of tomorrow" that will match the aspirations and hopes of your people providing jobs for young people and others who wish to stay, to return or to come. You can build the kind of livable, healthy and rewarding society and environment that no big city or metropolitan area can match.

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To this end -- I pledge you the fullest cooperation from this Administration as you plan and build.

Nobody feels more strongly about the revitalization of rural areas than do President Johnson and myself.

A year ago at Dallastown, Pennsylvania, President Johnson said:

"I want to see more factories located in rural areas.

"I want more workers to supplement their incomes by part-time farming.

"I want those who love the land to reap all the benefits of modern living.

"Not just sentiment demands that we do more to help our farms and rural communities -- I think the welfare of this nation demands it."

I agree. So do you. That is why you are here.

I thank you for this opportunity to discuss with you my favorite obsession -- for it is you, the people, who will truly make it a magnificent one -- a magnificent Town and Country, USA.

Thank you.

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Ladies and gentlemen, I am weary of the shrill, growing chorus telling us what's wrong with America.

I am fed up right to the teeth with the prophets of doom, the carping critics, the scofflaws -- white and black -- who are selling America short in a rising, vicious babel.

And I am fed right up past the eyeballs with television and newspapers that highlight and headline these histrionics, that play up our faults in a gross distortion of reality.

Certainly there is plenty wrong with America today. But there is much more that is right! I think it is time that we remind ourselves of some of those things today -- the things that are right with America -- the things, I am sorry to say, that seem to be more apparent to the people of other nations than to our own.

And I can think of no better gathering at which to do so than this, a gathering honoring five men who have seen their duty to their country, their duty to themselves as free men, and their duty to their fellow men -- and who are doing it.

Not always in the public eye, to be sure. I do not recall having seen Don Williams of my department on television. I have not seen him on any network "talk" shows, or "talk back" shows, or "opinion" shows. Nor have I seen his name in the big headlines that seem to be reserved for the bizarre and the unusual.

Address by Secretary of Agriculture Orville L. Freeman at the 1967 Rockefeller Public Service Awards ceremonies in the Washington Hilton Hotel, Washington, D. C., at noon December 6, 1967.

And yet Don Williams heads, and has served for 32 years, a public agency that has been primarily responsible for literally changing the face of America for the better. It is the agency that led the fight to anchor the land of America against the bitter winds of the dust bowl '30s. It is the agency that won that fight and then led the way to restoring that land to the productivity on which Americans today depend for the best national diet in world history, and which millions of persons in foreign lands -- human beings that Don Williams has never seen and never will see -- depend on today for their very lives.

And when I say today, I mean today -- December 6, 1967. And they will depend on it December 6, 1968, and December 6, 1969 and 1970.

Perhaps they will depend on it for years after that. But they will not depend on it forever, because one day they will be growing their own food, on their own land, in their own way, and in sufficient quantities to make their lives more than just a quest for food.

And they will do it because of the Don Williamses, the Foy Kohlers, the Wilbur Cohens, the Philip Elmans and the Herbert Friedmans who exist by the hundreds of thousands in the United States of America, and in the world. These are people who believe in giving a leg up to their fellow man, who believe that life involves duty, and that when life is over, it has not been life, but existence, unless it deserves the frontier epitaph, "He did his damndest."

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What Don Williams and his Soil Conservation Service colleagues have done is not bizarre. By the standards of the men who signed the Declaration of Independence and who worked for and signed the Constitution of the United States of America and then fought for its adoption, it is not unusual.

It is merely important -- important to every hippie, to every John Bircher, to every Republican, to every Democrat, to every New Leftist, to every professor, to every president of every Chamber of Commerce -- and to hundreds of millions of men, women and children beyond America's shores. It is the hope of a hungry world.

But it is not bizarre, so it is not news. By definition, then, nobody wants to know about it.

Well, I've been around enough newsmen to know that the good ones take as their basic definition of news something that is interesting or important, or both.

I can agree with that, but I think it's long past time that we quit stressing the interesting -- the unusual -- at the expense of the important.

I, for one, think it's more important that these five men we are honoring today represent 151 years of dedicated public service than that some student spends one night in jail after burning his draft card.

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And I, for one, think it's more important that there are almost six million young people in our colleges and universities today who are earnestly trying to improve themselves, to build better lives, than that a handful profaned the Pentagon Walls in what I can only consider as a perverted attempt to prove something about freedom.

And let me say parenthetically, from what I saw on television, that bearded, dirty crowd consisted of some of the world's oldest teenagers -- 35-year-old "teeny boppers" breaking, with their vulgar display, the hearts of thousands of 18-, 19- and 20-year-olds who had come many miles to register in an orderly manner their sincere protest to a government policy.

I think it is more important that thousands of these 18-, 19- and 20-year-olds are volunteering for the Peace Corps -- more than we can take; and that thousands more are volunteering for Volunteers in Service to America. I think this is more important than that there are hundreds -- most of them over-age in grade -- who tune in, turn on, and turn their backsides to the human race.

I think it is important that a quarter of a million American college students last year volunteered to help the needy and to help students who had been deprived of basic education.

I think it is important that half a million high school seniors who were never paid a cent volunteered their time last year to help young people in the grade schools.

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I think it is important that thousands more young people work in hospitals, in community agencies and in community programs.

I believe, as you may have guessed, that one of the things that is right with America is its young people.

And I believe that they need to be reminded that another one of the things that is right with America is the freedom to criticize, that constructive criticism is the blood of democracy as it grows and adjusts to change.

But they must be told that freedom to criticize implies freedom to defend against criticism, to state an opposite view -- that shouting, booing or stamping down one who tries to do so drives a nail into the coffin of freedom.

There are too many people, it seems to me, who are ready to rush to the barricades to defend the right of the American people to express their views -- so long as those views agree with their own.

Criticism is not hurling obscenities at the President, insulting his wife and scrawling obscene words on fences or government buildings.

These histrionics, these vulgar displays could be dismissed by saying that some nerves have snapped under what one writer accurately predicted would be the "sleepless years, the restless years, the suspicious years" that would be the American price of maintaining the principles of freedom in the years following World War II.

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But what worries me, is that accompanying this sporadic hysteria, there may be developing in the national mind a sullen, critical refusal to count our blessings, to recognize our accomplishments -- and that is of serious concern to me.

It is an attitude that says: Let's talk about the high cost of living, and carp at the rising cost of food -- let's forget that we have the highest standard of living the world has ever known, and that one hour of work in America today buys more and better food than ever before in history anywhere in the world.

It says: Let us cry "shame" at the national affluence while 34 million of us are living at poverty levels -- and let us, for heaven's sake, forget that President Johnson had the courage to say that this affluence must be shared, and let us forget that 5.7 million Americans -- equal to the population of Chicago and Philadelphia combined -- have been lifted above the poverty line in just the last four years, and let us forget the 100 million human beings in other lands who are receiving sustenance from our food aid.

It says: Let us complain about taxes, and forget that taxes are the price of civilization. Let us forget that no person in this room, or anywhere else, could on his own buy the schools, the streets, the highways, the hiking trails, the scenic drives, the campgrounds, the police and fire protection, the pure water, the hospital care in old age and the dozens of other things that we buy with our taxes.

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This is the attitude that says the only progress in Civil Rights has been to riot. This is the attitude that forgets, or ignores, such things as these:

That in five Southern States, Negro voter registration has increased by 552,000 -- to one and a quarter million -- since the Voting Rights Act of three years ago.

That more than three-quarters of a million Negro children are now attending integrated schools in 17 Southern and border states -- an increase of more than half a million since 1964.

That the number of Negro families earning more than \$7,000 a year has more than doubled -- to 28 percent -- since 1960.

That in this period we have appointed our first Negro Supreme Court Justice, Cabinet member, Mayor of Washington and a hundred other high executives and advisors.

And that the educational gap between Negro and white students has narrowed from an average of two years in 1960 to six months today.

This is ignorance, forgetfulness that is not excusable.

Now don't misunderstand. I do not for one minute propose that we have reached the end of the rainbow, or that we even have it in sight. We have a long, long way to go.

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But I submit that the facts I highlighted are facts of progress, that they are facts of which all Americans should be proud.

I submit that the gains we have made are part of what's right with America, and that they are gains that should inspire us to redouble our efforts to do more.

Certainly poverty and discrimination are things that are still wrong with America, but they are still wrong with England, France, Russia, China, and India, too -- you name the country, any country.

So let's quit flagellating ourselves; let's keep our perspective; and let's look at what we have accomplished ... what we can accomplish; then let us continue to build on the foundation already laid.

I am as disturbed as any American by the race riots in our cities. But I believe they are not so much a product of something wrong in America today as they are a product of what was wrong with America two centuries ago and of the efforts, and the gains, that have been made in the past few years in righting this wrong.

De Tocqueville put it this way 130 years ago:

"Only great ingenuity," he said, "can save a prince who under-takes to give relief to his subjects after long oppression.

"The sufferings that are endured patiently as being inevitable become intolerable the moment it appears there might be an escape.

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"Reform then only serves to reveal more clearly what still remains oppressive and (becomes) all the more unbearable. The suffering, it's true, has been reduced, but one's sensitivity has become more acute."

More progress has been made in the past few years toward racial equality, toward ending discrimination, toward freeing human beings from the shackles of poverty, toward righting wrongs rooted in human history since before the time of Christ, than ever before.

And this progress is separating the men from the boys in the national commitment. For as Tocqueville said, what still remains oppressive has become all the more unbearable.

The poverty, the discrimination, the inequities that remain in this land bring -- and justly so -- cries for release from those still their victims. They bring frightened calls to silence those cries from those unmoved by human misery, and they set those who do not understand to demanding instant solutions.

There are no instant solutions. You do not alter society with curses or threats, or by snapping your fingers or wringing your hands, and not by lofting placards. It takes energy, determination, courage, and commitment to a long, exhausting struggle toward an ideal.

In short ... it takes work, time and just plain "guts" -- three four-letter words of a type that I recommend highly to all who profess an interest in this Nation's future.

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It is true that troubles swarm at us, perplexities surround us. But they have always swarmed at and surrounded men who chart and hold to a course of freedom.

We forget, I think, that the Declaration of Independence did not just happen, that the Constitution under which we live did not just happen. No one said, "Presto"; no one pushed a button.

Almost two years of exhortation, argument and bloodshed went before the Declaration of Independence -- I invite you to go to the National Archives and look at Jefferson's draft of the document itself. Words are scratched out, hacked up, written over -- the product of many minds, joined in hard labor to articulate what the respected authorities of the day said was a fantastic doctrine that would never work.

The Constitution followed the Declaration by 11 bitter years, and then it was the product of a long, hot summer of dispute and painful compromise. And when it was finally finished, 16 of the 65 delegates were so disgusted that they refused to sign it, and refused to recommend it to their constituents.

The men who founded this Nation did not throw that unique document, the document establishing this union, into the trash can. They turned their utmost efforts to getting it ratified over the indifference and the opposition of their fellow countrymen.

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Madison, Jay and Hamilton, writing furiously, turned out the Federalist, 85 essays to be published in newspapers, telling the people that this experiment was worth while -- and why; telling them that it could work, and that it offered, as George Washington said, "a standard to which wise and honest men can repair."

It took work, it took courage and it took time -- 15 years of it from the first Continental Congress to the Constitution -- but dedicated men created a doctrine that has changed the world.

And I am confident that it will continue to change the world, because I am confident that millions of plain, ordinary Americans today continue to have the patience and the courage that were required then, and that have been required in the 178 years since, to uphold this standard to which wise and honest men can repair.

And I have confidence that their sons and daughters -- the young people of America -- have the courage to do so, too.

They are not only smarter than you and I were, and bigger than you and I were, but it has been my experience that they are more concerned than you and I were.

These young, questing minds, seeking what is right in a kaleidoscope world that baffles some of the best of their elders, deserve compassion. And their earnest questions deserve answers.

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They deserve to be told that the life of free men has never been easy, and that it never will be. They deserve to be told that the American doctrine was set forth by brave men for brave men.

They need to be told that a free society is built, as President Johnson has said, by men of good will "brick by brick in the heat of the day" -- and that the building never stops.

And, above all, they need to be told this: "If there is anything wrong with the Flag of the United States of America, help us to wash it clean don't burn it."

For that is the spirit of this flag, and that is what is right with America.

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You did not come to this symposium to hear me talk, and I can assure you that I came here to listen and to learn rather than to make a speech.

But I want to leave three brief thoughts with you before I get out of the way for my colleague Bob Weaver and the distinguished guests who will lead our discussions of what I think we all consider to be one of the greatest challenges of our time -- or any other time.

So on behalf of myself and my five Cabinet colleagues, welcome to this Symposium on Communities of Tomorrow -- National Growth and its Distribution.

This is an inspiring occasion. And I predict it will be a historic occasion. That you, some of the best intellects, best talent and best leaders from communities across the nation have come together to spark a national dialogue on space and people augurs well for this land.

First, a little background. This Symposium was born at a luncheon discussion held by its Cabinet sponsors a few months ago.

Remarks by Secretary of Agriculture Orville L. Freeman opening the Symposium on Communities of Tomorrow -- National Growth and its Distribution, at 9:30 a.m., December 11, 1967, in the International Conference Room of the U.S. Department of State, Washington, D. C.

All of us expressed concern at the continuing exodus of people from countryside to big city and the problems that it helped to create and that it is helping to perpetuate.

We asked ourselves if it made sense to compress more and more people into less and less space, and, in pondering the answer, we had to agree that the country had never really addressed itself to the question.

Except for a few lonely voices, no one had tried to approach the problems of today and the dangers of tomorrow with a space-people equation.

No one had asked if it is inevitable that in the next 32 years we pile more than 100 million more people into roughly the space which holds 140 million today. No one had ventured that we might spread out a bit and use the space with which we are blessed in this great land.

We realized that Communities of Tomorrow as a national pattern was but the dream of a few, and a dream dimly perceived.

We wondered if the people could, to quote from the USDA pamphlet, "Communities of Tomorrow," create an "American landscape dotted with communities that include a blend of small cities, new towns, and growing villages -- each of these a cluster with its own jobs and industries, its own college or university, its own medical center, its own cultural, entertainment, and recreational centers, and with an agriculture fully sharing in the national prosperity."

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Could we create hundreds of those communities, making it possible for more than 300 million Americans to live in less congestion than 200 million live in today -- enabling urban centers to become free of smog and blight, free of overcrowding, with ample parkland within easy reach of all?

Well, we were frank to say we didn't know if it could be done, and not all of us were sure it should be done -- and certainly there was no formula, no blueprint as to how.

But we all agreed that national attention should be addressed to the people and space crisis.

It was Secretary Gardner who said that somehow a national dialogue needed to be sparked on this question.

This was agreed, and the next obvious step was to invite the best minds we could get to this Symposium, a meeting which we hope, and expect, will generate a concentration of national concern and interest that can lead us to the development of a firm national policy.

Again, welcome, and thank you for coming.

By your presence, each of you testifies that you do not believe in the philosophy that comprehends man's plight and then, as one poet said, coughs, calls it fate and keeps on drinking, but rather you believe that man can set himself on a course of his own choosing, and that he can then sail that course if he has the courage, the imagination and the determination to do so.

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You are here because you recognize that too many of us have been coughing and calling it fate for too long. You understand the view of the French philosopher who asked his gardener to plant a tree in the next week or so.

The gardener pointed out that it would be 50 years before the tree was big enough to be enjoyed.

"Good heavens," the philosopher said, "in that case plant it today."

And that is my first thought: We must start today. The congestion, the discord, the crowded, harassed, depersonalized lives of millions in our cities, and the increasingly barren lives of many in our countryside send that message loud and on a clear channel.

And it comes on a drumbeat of change, change that is accelerating with each day that passes -- at a rate that took technology from Lindbergh to Sputnik in 30 years, that put a man in space four years after that, three men in space three years later, that saw men walking in space the next year, and whose next stop is the moon.

But the dazzling parade of rockets, computers, space craft, color television and bucket-seat eighties is the window-dressing of change that now puts 125 million tons of noxious fumes per year into our air;

Change that by 1980 will produce enough sewage and other waterborne wastes to consume, in dry weather, all the oxygen in the 22 river systems of America;

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Change that has put 70 percent of the people onto just 1 percent of the land ;

Change that is dehumanizing life, that has made the welfare check the economic base for too many families in too many cities and the old-age pension the commercial blood of too many small towns.

We need only to look at the proliferation of the garbage can life in the inner cities, the exhaust pipe life in the suburbs, and the desiccated life in the country to understand that we no longer dare to say, "Change is normal," and then let it occur.

We can no longer afford to create open sewers and then span them with a poem, as one writer said of New York's Verrazano-Narrows bridge.

We have reached the point where we can't have both. Either we turn our all out, dedicated attention to building poems, or we will create, by our indifference, open sewers -- physical and social -- by the year 2000 that will mean the end of this Nation.

We have proved -- all too forcefully -- that we can create sewers, and we have proved that we can create poems.

The choice is ours. We must decide now what we want; we must decide what changes should occur, and then we must make them occur.

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Your speakers today and tomorrow will discuss the alternatives, and, I am sure, they will address themselves to the magnitude of the task that confronts us if we are to make our national growth a blessing instead of a catastrophe.

So I will say only this about the job ahead: I hope that we can approach it in the spirit of an action taken in Philadelphia almost 200 years ago by a little known group called the Committee of Style and Arrangement, appointed by the Constitutional Convention to write the Constitution in its final form.

These men took the document that was to establish a real and lasting union, and they made one striking change in it -- a change that did nothing to alter its doctrine or its precepts, but one that none-the-less showed, to me, at least, profound insight into the purpose of the union and a sure instinct for its survival.

It was this: As received by the committee, the preamble read, "We the people of the States of New Hampshire, Massachussetts, Rhode Island ..." and it went on to list them all.

The committee struck out the list of states, inserted the word "United" and produced the simple, thrilling phrase, "We the people of the United States ..."

That is how we must face this challenge before us -- not as "We the people of rural America, of urban America, of business, labor, agriculture, academe, the professions," but as "We the people of the United States," 200 million of us together, preparing for 100 million more of us in the year 2000.

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And when I think of those 100 million new Americans, I think of some lines by Walt Whitman, lines that I used last summer in the speech to the National League of Cities announcing this symposium, lines that to me state the basic reason for this gathering and for the work that must follow.

They read like this:

"There was a child went forth every day ...

"And the first object he look'd upon, that object he became,

"And that object became part of him for the day or a certain part of the day,

"Or for many years or stretching cycles of years."

We are meeting here because we have the power to determine what objects the children of the year 2000 will look upon; we have the power to determine what will become a part of their years and stretching cycles of years.

What we do or do not do, the decisions we make or don't make, commit them, as well as us. The time for that commitment is now, the need for the right commitment is total and it is national.

These, then, are my three thoughts as we seek the proper use of a land, and of the fruits of that land, for its people: We must start now, we must do it together, and we must do it for those new Americans of the year 2000.

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So in a sense, as we meet here today in the 21st century, 100 million pairs of eyes, set in the fresh, wondering faces of childhood, are watching.

They deserve from us a workshop of ingenuity, a workshop of determination, and a workshop of courage as we fashion the cycles of their years.

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My topic today is "Rural Renaissance," a subject discussed at length last week at a symposium sponsored by five of my Cabinet colleagues and me, under the title, "Communities of Tomorrow -- National Growth and Its Distribution."

That was an ambitious subject, but the participants proved up to it. They included the vice President; Barbara Ward, newly-named Albert Schweitzer Professor of Economics at Columbia; Arthur Flemming, former Secretary of HEW and now President of the University of Oregon; Paul Ylvisaker, New Jersey's Commissioner for the Department of Community Affairs; James Rouse, developer of the new town of Columbia; Roy Ash, President of Litton Industries; and other distinguished thought leaders.

The symposium subject, and my topic today, has its roots deep in the American past, in a continuing migration of people from country to city that has made us today an urban nation, with 70 percent of our population living on just over 1 percent of its land.

This particular past is prologue for the future -- for if present trends continue unimpeded, in the next 32 years another 80 to 100 million Americans will be piled into roughly the same urban land that contains 140 million today. Rural land, badly needed for elbow room, will go largely unused.

Address by Secretary of Agriculture Orville L. Freeman at the Public Lecture Series, USDA Graduate School, Jefferson Auditorium, USDA, Washington, D.C., Dec. 20, 1967, 2 P.M. (EST).

I'm sure you learned some of the implications of this continued population pileup in this morning's lecture and earlier ones, especially Dr. Clark's, for this subject -- the people/space equation -- is one of the burning issues of the day.

Last week's symposium didn't meet to chart the future, but rather to explore alternative futures that might come to pass if we develop a wise people-space policy. We heard from urbanists and ruralists; economists and sociologists, politicians and university presidents, builders and industrial executives.

I won't cover all 400 pages of symposium findings today, of course, but I would like to review its highpoints, and then discuss a few of my ideas on "rural renaissance."

Some Inevitables

First a few "inevitables" -- things that we can be fairly certain are going to occur -- barring catastrophe -- whether or not we adopt a rational people-space policy.

1. First, of course, is population growth: The Census Bureau estimates that by the year 2000 at least another 80 million, and possibly as many as 156 million more Americans will have been added to the 200 million Americans already here. The most commonly accepted of the various census projections is a net population increase of 108 million by January 1, 2000.

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2. Second, flowing from the first, is the fact that we're going to be building an average of 1.5 million new housing units each year in the next decade (an investment of at least \$30 billion a year) just to house this increase in the population. Where we build these homes -- in sprawling, cluttered suburbs ... or new towns and small communities, is as yet unknown. But they will be built.

3. Third, Lady Jackson pointed out this dramatic fact of economic life: With the discovery of the techniques of demand management in western economies, it is a distinct possibility -- perhaps almost a certainty -- that the gross national product of the United States is going to grow by from 3 to 4 percent in the foreseeable future. Today it is \$830 billion. By 1980, just over a dozen years away, it will likely be \$1.12 trillion, \$300 billion over and above what we have this year.

4. Fourth -- and this was mentioned by several participants -- is the relentless march of technology.

In rural America, this means fewer jobs in farming, as agriculture becomes increasingly mechanized. This is a continuation of a long-term trend that today has resulted in only 100 jobs in agriculture for every 177 young men entering the labor force in rural America.

In industry, where automation is increasing at a somewhat lower rate, this means fewer of the repetitive, low-skilled factory jobs that were traditional first steps up for displaced rural migrants.

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This last fact has several salient sub-features. At the same time automation is eliminating low-skilled jobs in agriculture and manufacturing, urban congestion is shifting the factory jobs that are available out of the central city where the migrants settle.

So it's a two-way squeeze.

Not only are there fewer semi-skilled jobs in absolute numbers, they're also further out of reach of the average rural migrant. In Paul Ylvisaker's words, "Manufacturing will not absorb the great numbers ... now moving off the land ... You must be able to get them into the service sector. But to get into the service sector, one must have the facilities of literacy and all the verbal and other skills that go with advanced urban living ... What this means is that the population coming off the land from farms and rural areas not only has to jump one generation of economics (factory work) but has to jump two (into service work.)"

This, then, is the backdrop against which we examine communities of tomorrow and the prospective rural renaissance.

More people ... who are going to build some 1.5 million houses a year; a rapidly expanding GNP, which can be channeled in many directions ... putting a third car in every garage -- into the public sector, or some mix of both ... declining jobs in farming and unskilled manufacturing, which means missing rungs on the ladder by which many past migrants climbed to affluence.

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Couple these factors with a national "migration policy" which, in Dr. Ylvisaker's words, has "been by default." Add the tinder-dry conditions in the Nation's ghettos, growing by half a million people a year and awaiting only the shout of a madman or the spark of an incident to ignite. Such a combination makes crystal clear the crying need for a national policy on rural/urban balance, the necessity for a renaissance in rural areas, and the importance of a framework in which to accomplish it.

But opinion was by no means unanimous on this analysis of the need for a rural renaissance. Indeed, one of the real contributions last week's symposium made to the national dialogue on rural/urban balance was in painting the tremendous difficulties in arresting the inertia of centuries-old unplanned migration from country to city.

As Professor Wilbur Thompson of Wayne State pointed out, "Those who would alter the current pattern of urbanization need to know how powerful is the current trend toward great clusters of population. Only then can policymakers appreciate the cost and degree of commitment needed to bend current trends into new directions."

Indeed, he argued, "efforts to dampen the growth of large urban areas and/or to revitalize small places cannot succeed at modest cost or with light commitment if indeed they can succeed at all."*

*emphasis added

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Professor Thompson supports his arguments with impressive logic, including the uncertain direction of technological progress, which encourages manufacturers to locate in and near existing transportation and manpower centers; the higher productivity and income offered by the large urban area, the challenge of the intellectual life and the lure of educational facilities provided by the large urban complex.

With all of these things going for the larger cities, the outlook for smaller towns is bleak. In Professor Thompson's view: "Medium small towns will survive for a while if in no other way on the hand-me-downs, the cast-offs of the industrial system, the filtering down of industries."

But if the recognition of the immense difficulties in changing the present condition of our cities and rural areas was well-nigh universal, so was the recognition that change was a matter of prime importance. When it comes to the tools to accomplish it, however, Professor Scott Greer of Northwestern pointed out what we lack:

"... the most useful image of urban America," he said, "is probably one based on the continental Nation as the playing field. The given urban settlement is then a specialized part within a grid of locations ultimately determined by national markets and land, labor and capital. Large-scale organizations, including governmental agencies, are the major players in the game. For this national city there is no national policy.* It is a collective output, the result of a great many aggregated, interacting decisions, accidents and what have you."

*emphasis added

This point was reinforced by Barbara Ward when she asked:

"Are there areas of government and administration which make (nationwide) planning possible? And the answer is in Europe, yes; so far in America, no."

Yet the growth is going to happen whether we plan for it or not. Some of it will take place in the big metropolitan areas. But much growth will take place in rural areas, the small cities, towns, and open country. This is just as inevitable. It's happening right now.

We should, therefore, be taking steps to make it orderly. What new institutions and arrangements are needed to harness the inevitable growth in city and countryside, to produce a society that is at once humane, creative, and secure? How do we accomplish rural/urban balance?

The suburbs and the business core of megalopolis have their ghettos; town and country America has its decaying villages, marginal farms, and dirt road shanties. They are chained together; two sides of the same coin. They stand or fall together; hence the necessity for a national policy to tie together their needs and the nation's resources for maximum results.

One of these needs is planning -- long-range planning; comprehensive planning; planning to meet the needs of a multi-county community.

Legislation sent to Congress by the President to modify Section 701 of the Housing Act to permit comprehensive planning grants for multi-county rural areas and the small cities that are their nuclei is pending.

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We are also canvassing the States to find how many already are moving toward the multi-county base for planning, development and governmental services. Of the first 24 States to report, 17 already are well on the way toward multi-county programs or have them under serious study.

At the Communities Symposium last week, Governor Hughes said that in Iowa, planning and administration of major public services on a multi-county basis was imperative and has called for State program administration on this basis. USDA is now adjusting its activities to correspond with the districts he has already established.

Last year in Utah, the Governor's planning staff issued a report stating in part, "The ideal planning region would be multi-county in nature, would represent common interests and activities in the areas of water, recreation, highways, human and natural resources, and would consist of enough counties, cities, or population base to represent a significant unit for public administration."

No one could say it better!

The report last year of the Finger Lakes Regional Planning and Development Board of Central New York, which is operating a program for both rural and urban areas radiating out from Syracuse, stated: "We are confident the region can mold a significantly better social, economic, and physical environment. We recognize that planning concerns, such as water and air pollution, agribusiness, and the provision of educational and cultural facilities are regional and demand regional solutions."

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All of this and more is happening right now, as we meet. But what of the future? Let's look in the crystal ball.

Over the next 30 years, I predict, we will see the emergence of a rural, town and country multi-county system as viable, prosperous and self-contained as the metropolitan complex is today.

We can already see it happening in such disparate rural areas as central Tennessee, central Colorado, upper New England, northern Arkansas, eastern Mississippi, northern Georgia, northern Michigan, and many other sections of the country that are rural -- small town by any measure.

It is a new kind of community that too many urbanists seem to overlook. So let's project the outlines of this "second society."

In public administration and services, there will be a sharing of talent and resources across a community. General revenues of counties and municipalities in the area will be pooled to finance certain services, such as transportation, health and welfare, higher education, and police protection.

We will see development of community-wide commissions representing local jurisdictions and interests, supplying leadership and direction, tying the parts of the system together, making best use of the pooled funds. Enabling legislation will be approved, constitutions will be amended, where necessary, to permit it. This is already happening in a number of States.

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Most of the little towns and cross-roads villages that used to be self-contained economic centers will evolve into residential communities, with breadwinners working as far from home, but spending less commuting time, than breadwinners in the suburbs do now. This change is also taking place rapidly.

Commercial-sized family farms will be larger. They will use fewer, but more skilled and better paid workers. They'll remain the backbone of the economy in many town-country areas. The needs of agriculture -- as an industry and way of life -- will preserve open space and encourage imaginative physical planning and efficient land use.

Small farming will not die out. Indeed, one of the most attractive features of the town-country community I'm describing is the opportunity it presents for working class, white collar and professional families to live on small farms while earning city-level incomes off the farm. Even now, more than one-third of our farmers earn most of their incomes off the farm. The town-country community of tomorrow may make this life possible for larger numbers of families.

Contrary to what some experts say, I believe industrial and business development in these communities will accelerate. All of the key factors are present. Modern transportation provides access to major markets. Labor is available in abundance, and it is highly productive, given training and basic education. Roy Ash touched on this point at last week's symposium when he said in effect, that capital tends to locate where labor is most productive, and that this productivity characterizes rural America generally.

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Low-cost land to establish plants is certainly available. Community leaders are eager for industry and are growing increasingly sophisticated in the methods and techniques of obtaining it. We will see industrial parks that match anything in the metropolitan areas and training programs tailored to the needs of a receptive industry.

Finally, education and the rural poor: I lump both subjects together because poverty, particularly rural poverty, is so closely bound up with lack of education.

Here, as with so many other aspects of town and country community life, we save money and improve services by increasing the scale. Consolidation of elementary and high schools is, of course, a battle won in most -- but not all -- of the countryside.

The future will bring further breakthroughs. Multi-purpose education, continuing education, vocational training and special programs for the poor and handicapped, all act to tie the town and country region into a unit. These campaigns are going forward right now on many fronts -- from pre-school centers for poor children to two-year junior colleges for the young people on whom the future of rural America depends. We will see 2-year colleges and technical schools tied closely to particular industries, research and training programs.

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The shape of government, the content and influence of area-wide planning, relationships between town and country, modernizing public services, farm stability and industrial growth, education, and progress for the poor -- this is the high ground that must be taken if "rural renaissance" is to be more than a catch-phrase.

Contrary to the nay-sayers, there is now an awareness and a movement toward these goals never before present in rural America, and this is one reason I am optimistic.

Another reason is this: I have seen these communities taking shape with my own eyes, visited them, studied them, talked with their leaders.

It didn't happen overnight, nor did it happen in a vacuum. In 1960, USDA loaned only about one million dollars to build the basic water and sewer facilities any rural community needs to prosper and survive. Since then we've loaned \$438 million. Rural Housing loans have increased 10-fold in the same period, loans for farm ownership 5-fold, and economic opportunity loans for the poor have gone from zero in 1960 to \$74 million since 1965.

All down the line -- from rural renewal to Resource Conservation and Development projects, more money is being invested, new ideas, new concepts are being tried. And you can see the results.

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You can see them in "Tenco," a new 10-county community with its own 2-year vocational college down in the mined-out area of Southern Iowa. You can see it in Little River, Arkansas, site of the Nation's first Rural Renewal project, now a thriving multi-county community with new industry coming in all the time. Perhaps you read about Congaree, South Carolina, in Life magazine recently where an REA loan got a new steel fabricating plant started, and reversed an outmigration trend at least five decades old. You can see these places -- all of them a long way from any megalopolis -- and I hope you do.

And so I am optimistic, but I am also gravely concerned that the intellectual tide of urbanism so evident in the recent symposium here will swamp the effort to turn the Nation's attention toward practical development goals in town and country.

For we badly need a national policy and program which links together small cities and the countryside into a workable system, one that balances with, and receives as much priority as the problems of our big cities.

From such a policy would flow talent, resources, ideas, and programs.

The Federal Government, for example, might be willing to finance new towns outside metropolitan areas, or in the open country near metropolitan areas, to relieve urban impaction and suburban sprawl, with housing provision for all income levels.

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A portion of Federal purchases and contracts might be set aside to create jobs in town-country areas -- and Federal installations might be located there whenever possible.

Tax concessions and loans might be used to increase the economic benefits of new industries in rural areas, while decreasing the social costs of further urban concentration to the Nation.

Private capital would begin to flow in greater amounts if such a national decision were made. Private capital now is being urged, and rightly so, to invest in the ghetto. Why shouldn't there be just as much urgency of investment to create jobs that offer an alternative to migration to the ghetto in the first place?

We might also seek new breakthroughs in rural housing, particularly for the poor now untouched by any housing program. Home purchases, small subsidized rental units combining decent housing with child care and social services are really not such bold suggestions in this day and age.

And what about some joint Federal-State programs to pioneer new transportation and communication links among the small cities, towns and countryside areas within a rural region? Technology often makes possible what inertia makes impractical.

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To really educate some of the most deprived children in rural areas, perhaps we'll need voluntary boarding schools or to extend all-day and early evening classes combined with meals and clothing allowances. Maybe we should also build small nursery schools for children and their mothers in these now terribly deprived back-country places.

New methods of planning and administering public services in multi-county town and country regions will need to be devised. And we in the Federal Government will need to apply more of the principle of partnership with State and localities in administering Federal programs. At the Federal level we need to put our house in better order. Today there is clearly too much fragmentation of Federal programs, too much indifference to what the other fellow in the Federal Government is doing.

None of these approaches is revolutionary. Most are just common-sense. But each will require determination and the investment of talent and treasure that flows from determination.

Leaders in the multi-county communities and on the farms can't do it all. And it's simply a myth that billions of dollars in Federal programs go to farmers and to rural areas which could better be spent to rehabilitate our cities.

In the first place, a very large part of the Agriculture Department budget now goes for conservation and for services to consumers, most of whom live in metropolitan areas.

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In the second place, the primary aim of income support, educational, research and other services to farmers is to maintain a stable, progressive, and increasingly efficient commercial agriculture which can continue to feed the American people at the lowest real cost of any people in history.

In the third place, the Federal financing of infrastructure in rural America -- housing, community facilities, service centers -- and Federal-State financing of social services and anti-poverty programs, lags far behind comparable programs in big cities -- perhaps as much as 2-to-1 behind. Although much, much, more is being done today than ever before, it's still only a beginning.

And so the myth that an inordinate amount of Federal money flows to town and country simply does not square with reality.

The reality is that if all the things I have predicted are to come to pass, town and country America will need help. The enlightened small-town banker, the progressive young farmer, the factory owner struggling to expand his markets, the dedicated rural high school principal, can't alone make the rural renaissance. They don't have the money and they don't have the necessary tools.

I am an optimist. I do believe the Nation will decide to fashion the tools and allocate the resources for a renaissance in rural America, and so let me close with some thoughts from James Rouse at last week's symposium.

Mr. Rouse is building a new town, an idea which has never been tried before -- on such a scale at least -- in this country.

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He's building an open-occupancy town in an area that voted for George Wallace in the 1964 primary ... he is offering a mix of residences in his town, with townhouses, apartments and detached dwellings, in a county that previously was zoned for single lots ... he's preserving every major stream, valley, hillside forest, and allocating 3,200 acres to permanent open space, when all around him such environmental amenities are being bulldozed into oblivion.

Each step of the way, "they said it couldn't be done." But it is, and this is why:

"We talk," Jim Rouse says, "in terms of the need for -- not how to do it. There is missing from the American mentality, attitude, spirit today, the conviction that we will not maintain a civilization within the vessels we have today in the American City or the rural slum. (What is needed is) a conviction that we have the capacity, the resources, the determination to transform them -- not in a hundred years, or 50 years, or 40 years, but in a decade."

"There is absolutely no question that we have the capacity to do it -- absolutely no question about it."

"It doesn't require vast new programs, new knowledge, new technological understanding or concepts. It requires a frame of mind that we can make ourselves into what we want to be."

I agree!

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